

22nd February 1941

THE

LEGISLATIVE ASSEMBLY DEBATES

Official Report

Volume I, 1941

(11th February to 27th February, 1941)

THIRTEENTH SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY,
1941



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Legislative Assembly

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THE HONOURABLE SIR ABDUR RAHIM, K.C.S.I.

Deputy President:

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MR. L. C. BUSS, M.L.A.

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Assistants of the Secretary:

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Marshal:

CAPTAIN HAJI SARDAR NUR AHMAD KHAN, M.C., I.O.M., I.A.

Committee on Petitions:

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SYED GHULAM BHIK NAIRANG, M.L.A.

MR. L. C. BUSS, M.L.A.

SIR ABDUL HALIM GHUZZNAVI, M.L.A.

SIR H. P. MODY, K.B.E., M.L.A.

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LEGISLATIVE ASSEMBLY

1941 . . . Saturday, 22nd February, 1941.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

†118.*

PRIVATE AND PUBLIC PURCHASES OF IMPORTED GOODS DURING THE WAR.

119. *Mr. F. E. James: Will the Honourable the Finance Member be pleased to state:

- (a) whether his attention has been called to the discussion in the press and elsewhere arising out of a sermon on "frugality in war-time" preached in the Calcutta Cathedral by Canon Boulton;
- (b) whether his attention has been called to a statement made by Lord Stamp, which is reported by Reuter as follows:

"It is not much good doing without here, in order to spare workers, if those workers are simply engaged in manufacturing for exports to the rest of the Empire goods which Empire countries could equally do without. Moreover, any effort that we make to avert the demand for dollars is doubly valuable. If our brethern in the rest of the Empire are doing the same thing and making the same effort. One can almost hope that we shall soon arrive at a stage when citizens in all parts of the Empire will actually vie with each other, not only in productive increase but also in self-denying ordinances"; and

- (c) whether he will give some guidance as to the necessity or otherwise of regulating private and public purchases of imported goods from the point of view of assisting the Empire war effort and conserving shipping and other resources for essential war needs?

The Honourable Sir Jeremy Raisman: (a) and (b). Yes.

†This question was withdrawn by the questioner.

(c) The matter is engaging the attention of Government at present and the question of issuing a statement is under consideration.

EXEMPTION OF LOW-SALARIED EMPLOYEES FROM ARREST AND ATTACHMENT OF THEIR PAY IN EXECUTION OF CIVIL DECREES.

†120. *Maulvi Muhammad Abdul Ghani: (a) Will the Honourable the Home Member please state whether it is a fact that employees drawing emoluments less than Rs. 100 per month are not liable to arrest or attachment of their pay and property in execution of a civil court decree? If so, under what section of the statute?

(b) Is it a fact that the said protection is given on the recommendations of the Royal Commission on Labour in India?

The Honourable Sir Reginald Maxwell: (a) Employees drawing emoluments of less than Rs. 100 per month are not liable to have those emoluments attached in execution of a civil court decree: See clauses (h) and (i) of the proviso to sub-section (1) of section 80 of the Code of Civil Procedure, 1908. But they are as much liable to arrest and to attachment of other property as any other judgment-debtor.

(b) Yes.

DETENTIONS, PROSECUTIONS, CONVICTIONS, ETC., UNDER THE DEFENCE OF INDIA ACT.

121. *Sardar Sant Singh: Will the Honourable the Home Member be pleased to lay on the table of the House showing the following information:

- (a) the number of persons served with notice of detention in each Province under the Defence of India Act;
- (b) the number of persons ordered to be detained in each Province and actually in such detention; how many of such persons are Hindus, Muslims, Sikhs, Christians, Anglo-Indians and Europeans;
- (c) the number of persons prosecuted, the number convicted and the number at present undergoing sentence of imprisonment, and the maximum sentence passed in one trial;
- (d) the rules under which these persons were prosecuted and the number of convictions under each rule;
- (e) the number of convictions in the *Satyagraha* movement in each Province; and
- (f) the total amount of fine inflicted and the amount realised?

The Honourable Sir Reginald Maxwell: (a) to (e). I lay a statement on the table containing such information as is available. No information is available regarding the religious denominations of the persons detained.

(f) The Government of India have no information.

†Answer to this question laid on the table, the questioner being absent.

(a) and (b) Statement showing the number of persons detained under the orders of the Central Government and Provincial Governments under rule 26 of the Defence of India Rules.

By order of the Central Government	45
By order of Provincial Governments :—	
Madras (till 31-1-41)	92
Bombay (")	178
Bengal (")	140
United Provinces (till 15-1-41)	103
Punjab (")	115
Bihar (")	29
C. P. and Berar (till 31-1-41)	2
Assam (")	0
N. W. F. P. (")	9
Sind	0
Orissa	0

(c) Statement showing the number of persons prosecuted, the number convicted and the number undergoing imprisonment under the Defence of India Rules.

Province.	Number prosecuted up to the 31st January, 1941.	Number convicted up to the 31st January, 1941.	Number undergoing imprisonment on the 1st January, 1941.
Madras	1,153	1,081	444
Bombay	1,840	1,813	210
Bengal	996	895	166
United Provinces	information not available.	940 up to (15-1-41.)	192
Punjab	820	620 up to (15-1-41.)	145
Bihar	information not available.	336 up to (15-1-41.)	220
C. P. and Berar	314	303	138
Assam	231	227	22
N. W. F. P.	21	Figures not avail- able.	5
Orissa	224	Do.	45
Sind	92	62	14
Coorg	6	6	5
Delhi	99	78	52 (on 15-1-41.)
Ajmer-Merwara	15	5	3
Baluchistan	10	Figures not avail- able.	3 (on 15-1-41.)

Maximum sentence passed (so far as information is available) Imprisonment for 4 years.

(d) Statement showing the number of convictions under each rule of the Defence of India Rules.

Previous.	Number of convictions under Defence of India Rules up to the 31st January 1941.																	Total.					
	6	8	10	21	26	28	38	45	52	54	58	61	82	90	91	96	116		121	123	26	38	130	52
Madras	...	...	...	...	6	...	947	65	...	59	1	1	1	...	1	...	1	...	1	...	...	...	1,081
Bombay	1	...	1	8	3	...	479	2	...	1,308	...	10	...	1	...	1	...	...	...	...	...	...	1,313
Bengal	...	26	...	...	68	10	160	57	...	14	467	67	1	5	...	4	...	4	...	2	5	...	963
V. P.	...	...	...	...	...	...	724	25	...	120	46	11	...	1	...	1	...	...	...	13	...	...	949
Punjab	...	...	...	...	...	...	382	...	...	1	204	17	10	...	...	...	...	...	...	6	...	...	680
Bihar (up to 31-12-40)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	339
O. P.	...	...	...	...	2	...	200	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	303
Assam	...	28	...	...	...	...	109	1	...	6	...	72	...	1	...	...	...	...	...	...	...	...	227
N. W. P. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Figures not available.																						
Orissa	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Figures not available.																						
Bihar	...	10	...	...	...	...	22	1	1	27	...	...	...	...	...	...	...	...	...	...	...	...	62
Coorg	...	...	...	...	...	...	6	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	6
Delhi	...	...	...	...	2	...	75	...	...	...	...	1	...	...	...	...	...	...	...	...	...	...	78
Ajmer-Merwara	...	...	...	...	...	...	5	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	6
Rechnistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Figures not available.																						

(e) Statement showing the number of convictions in each Province in the anti-war Satyagraha movement up to the 12th February, 1941.

Province.	No. of convictions.
Madras	721
Bombay	522
Bengal	43
United Provinces	957
Punjab	47
Bihar	149
Central Provinces and Berar	283
Assam	131
North-West Frontier Province	1
Orissa	274
Sind	0
Coorg	6
Delhi	67 (including Ahrara).
Ajmer-Merwara	5
Baluchistan	0

Sardar Sant Singh: What is the denomination of the various persons detained?

The Honourable Sir Reginald Maxwell: The Honourable Member had asked how many of the persons detained are Hindus, Muslims, Sikhs, Christians, Anglo-Indians and Europeans. I said that the Government have no information about the denominations of the persons detained.

Sardar Sant Singh: May I know what is the difficulty in obtaining the information?

The Honourable Sir Reginald Maxwell: The information is not recorded in that statistical form. To collect information in that form would necessitate an elaborate inquiry in the provinces.

Sardar Sant Singh: May I ask the Honourable Member if it is not a fact that such information can be gathered from the names of the persons convicted or detained?

The Honourable Sir Reginald Maxwell: No, Sir.

Sardar Sant Singh: What is the difficulty about it? Is not the Honourable Member prepared to disclose this information?

Dr. R. D. Dalal: In view of the fact that in question No. 121 (b), the Parsis are not mentioned, am I correct in my presumption that the Parsis are generally a most law-abiding community and most loyal to the British Raj in India?

The Honourable Sir Reginald Maxwell: I hope so.

Sardar Sant Singh: Is the Honourable Member not willing to give this information, or is the information not really available?

Mr. President (The Honourable Sir Abdur Rahim): That is what he said. He has said that it is not available.

Sardar Sant Singh: I have asked the Honourable Member whether Government are willing to give the information.

Mr. President (The Honourable Sir Abdur Rahim): He has given the answer. The Honourable Member cannot repeat that question.

Sardar Sant Singh: Are Government going to make any attempt to get the information, any further attempt?

The Honourable Sir Reginald Maxwell: Any such attempt would entail an expenditure of time and labour incommensurate with the value of the information obtained.

Sardar Sant Singh: Is the Honourable Member aware that there is a good deal of dissatisfaction on the working of the Defence of India Act, and this information is necessary for the general discussion of the General Budget?

The Honourable Sir Reginald Maxwell: That is a matter of opinion.

SCOPE OF OPERATION OF THE DEFENCE OF INDIA ACT.

122. *Sardar Sant Singh: (a) Will the Honourable the Home Member please state if the intention of Government has been to restrict the application of Defence of India Act to the acts which tend to prevent the successful prosecution of war?

(b) Do Government propose to take any steps to exclude religious processions from the operation of the Act?

The Honourable Sir Reginald Maxwell: (a) The intentions of the Central Legislature as to the manner of application of the Defence of India Act and Rules are expressly set out in the preamble to, and in section 2 of, the Act itself; and the Central Government have no desire, and indeed no power, to deviate therefrom.

(b) The Government of India are generally prepared to rely upon the discretion of the authorities administering the Rules.

Sardar Sant Singh: May I know if the Honourable Member is aware that, at the time of the passage of the Bill, the House was given to understand that this Act would only apply in cases which retarded or prevented the successful prosecution of the war?

The Honourable Sir Reginald Maxwell: The Honourable Member can refer himself to the debates.

Sardar Sant Singh: If it is there, will the Honourable Member please state if it is a fact that the Defence of India Act is being used for purposes other than the declared policy of the Government on the floor of this House?

The Honourable Sir Reginald Maxwell: The Honourable Member is trying to raise a discussion on the administration of the Act, and not seeking information.

Mr. Lalchand Navalrai: May I know from the Honourable Member if any religious processions have been stopped under the operation of the Defence of India Act?

The Honourable Sir Reginald Maxwell: Not so far as I am aware, but the matter would rest with the Provincial Governments.

Sardar Sant Singh: May I know if the Honourable Member proposes to make an inquiry into the question whether any religious processions as such have been banned under the Defence of India Act?

The Honourable Sir Reginald Maxwell: I do not propose to make such inquiry, because, as I have said, it is a matter for the Provincial Administrations.

Sardar Sant Singh: May I know if it is not a fact that it was given out in the last Session that the Government of India would keep a vigilant eye over the administration of the Act by the Provincial Governments.

The Honourable Sir Reginald Maxwell: Yes, Sir. The Government of India keep themselves generally in touch with the administration of the Act.

Sardar Sant Singh: Has any case come to the notice of the Government of India in which religious processions have been banned under the Defence of India Act and the rules made thereunder?

The Honourable Sir Reginald Maxwell: I have already answered that question.

Sardar Sant Singh: I shall bring to the Honourable Member's notice one such case. At Sargodha, a procession was taken out on the occasion of Guru Govind Singh's birthday. It is an annual recurring incident, and that was stopped by the District Magistrate of that place under the Defence of India Rules.

The Honourable Sir Reginald Maxwell: That is a matter for the Provincial Administration.

Sardar Sant Singh: Will the Honourable Member make an inquiry to find out if the Defence of India Act is used for the purpose of banning religious processions? That is my point. Why is the Honourable Member evading an answer to that question?

The Honourable Sir Reginald Maxwell: No, because any person aggrieved by any order of the Provincial Government can raise the question in the Provincial Assembly.

Mr. Lalchand Navalrai: Is it the intention of the Defence of India Act to prohibit religious processions also?

The Honourable Sir Reginald Maxwell: No, Sir. There is no such intention.

Sardar Sant Singh: May I ask for your protection, Sir. The Honourable Member is evading the question under the guise that the question should be raised in the Provincial Council, while the Act has been passed by the Central Legislature.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has given the answer to the best of his ability, and it is a matter of opinion whether he has not answered the question put, to the satisfaction of the questioner

Mr. Lalchand Navalrai: May I know if the rules under the Defence of India Act are being framed by the Government of India?

The Honourable Sir Reginald Maxwell: Yes, Sir.

Mr. Lalchand Navalrai: Is there any prohibition there as regards religious processions?

The Honourable Sir Reginald Maxwell: None. The Defence of India Act does not prohibit religious processions.

Sardar Sant Singh: Has any Provincial Government consulted the Government of India about banning religious processions under the Defence of India Act?

The Honourable Sir Reginald Maxwell: Not so far as I am aware.

HIGHER INITIAL SALARY FOR ANGLO-INDIANS ON RAILWAYS.

123. *Dr. Sir Ziauddin Ahmad: (a) Will the Honourable the Home Member please state whether it is a fact that the Railway Board has made a rule in accordance with which all Anglo-Indians are recruited on an initial salary of Rs. 55 per mensem, while Indians are employed on the same job on Rs. 25 or 30? If so, what are the reasons for such a discrimination, and are Government prepared to remove the racial discrimination altogether?

(b) In case a higher start is given to Anglo-Indians on account of their high standard of living, are Government prepared to give a higher start to the Mussalmans in proportion to their high standard of living?

The Honourable Sir Reginald Maxwell: (a) A minimum rate of Rs. 55 per mensem is applicable to Anglo-Indians recruited to the railway services. This rate is fixed in pursuance of the provisions of section 242(2) of the Government of India Act, 1935. The reasons for Government's policy are stated in detail in paragraph 4 of the Home Department Resolution No. 14/5/38-Establishments (Special), dated the 1st May, 1939, which was published in the *Gazette of India*, dated the 6th May, 1939.

(b) The provisions of section 242(2) lay no such obligation upon Government.

Mr. Lalchand Navarai: May I know from the Honourable Member if the Government of India Act provides that preference will be given and more concessions given to Anglo-Indians?

The Honourable Sir Reginald Maxwell: Will the Honourable Member repeat the question?

Mr. Lalchand Navarai: With regard to the section of the Government of India Act which the Honourable Member has referred to, under which we should be giving certain concessions to Anglo-Indians, does that provision provide specifically for larger salaries being given to Anglo-Indians?

The Honourable Sir Reginald Maxwell: No, Sir—the Honourable Member could satisfy himself by looking at the section quoted.

Dr. Sir Ziauddin Ahmad: May I know whether this rule affects the railway services only, or all the services under the Central Government?

The Honourable Sir Reginald Maxwell: The services with which the Anglo-Indian community had past association; those are, principally, the Railways, Posts and Telegraphs, and Customs.

Mr. Lalchand Navarai: May I know if other Indians also have not been associated with these Departments before?

The Honourable Sir Reginald Maxwell: That is not relevant to the section 242(2) of the Government of India Act to which I have referred.

UNSTARRED QUESTIONS AND ANSWERS.

CALCUTTA PREVENTIVE OFFICERS MUTUAL HELP ASSOCIATION.

12. Maulvi Muhammad Abdul Ghani: (a) Will the Honourable the Finance Member be pleased to state whether the Calcutta Customs Preventive Officers Mutual Help Association is still in existence?

(b) Is it a fact that the Collector and the Superintendent were the President and Vice-President, respectively?

(c) Who was the Honorary Secretary and Treasurer?

(d) Is it a fact that in 1934 the amount standing to the credit of this Fund was about Rs. 28,000?

(e) What is the amount now on hand and how was the difference spent?

(f) Is the money in the Bank in the name of the Association, or in that of an individual? If the latter, why?

(g) What action do Government propose to take regarding the money lying on hand?

The Honourable Sir Jeremy Raisman: (a) No. The Association went into voluntary liquidation in 1937.

(b) Under the rules of the Association the Superintendent, and the Assistant Superintendent of the Preventive Service were *ex-officio* President and Vice-President of the Association.

(c) Mr. E. J. Leicester of the Preventive Department.

(d) The sum standing to the credit of the Association was Rs. 80,685-5-4.

(e) and (f). The present balance is nil. The general body of the members of the Association decided in 1937 to put the Association into voluntary liquidation and the Registrar, Joint Stock Companies, was so informed. As a result of this decision payment was made in full to the death beneficiaries leaving a balance of Rs. 2,558-14-6. Of this amount about Rs. 2,000 was held in the name of the Collector of Customs, and the remainder in the name of two members of the Association.

(g) With the consent of the majority of members the balance left was contributed to the East India War Fund on 19th June, 1940.

CALCUTTA CUSTOMS PREVENTIVE OFFICERS ASSOCIATION.

13. Maulvi Muhammad Abdul Ghani: (a) Will the Honourable the Finance Member be pleased to state whether the Calcutta Customs Preventive Officers Association is still in existence?

(b) What is the amount lying to the credit of this Association?

(c) Is the money in the Bank in the name of the Association or in that of an individual? If the latter, why?

(d) Who is the Honorary Secretary and Treasurer of the Association?

(e) What action do Government propose to take regarding the money lying on hand?

The Honourable Sir Jeremy Raisman: (a) No. There was no such Association.

(b) to (e). Do not arise.

CONTRIBUTIONS TOWARDS WAR FUND AND WAR LOAN.

14. Dr. Sir Ziauddin Ahmad: Will the Honourable the Finance Member be pleased to lay a statement on the table showing the contributions made by each Province and by principal Indian States to (i) War Fund, (ii) War Loan without interest and (iii) War Loan with interest?

The Honourable Sir Jeremy Raisman: As my Honourable friend is aware there is no single War Fund, and the accounts of the Viceroy's War Purposes Fund are kept on a purpose as distinct from an area basis; and it would not now be possible to undertake a reclassification of all past subscriptions on an area basis. I regret that information regarding the various Provincial and State Funds is not readily available.

A statement showing by Provinces the subscriptions to the Defence Loans to the end of December, 1940, is laid on the table. Figures of subscriptions by individual States are not readily available but the total for Indian States and Central Treasuries is included in the statement.

Statement of subscription to Defence Loans (in lakhs) to the end of December, 1940.

	3 per cent. Defence Bonds.	Interest free Bonds.
Bengal	16,26	34
Bihar	23	1
Oriasa	2	..
Assam	2	..
United Provinces	82	6
Punjab	2,24	7
North-West Frontier Province	8	..
Bombay	12,11	55
Central Provinces	10	1
Sind	32	2
Madras	1,44	8
Indian States and Central Treasuries	66	1,13
	<hr/> 34,30	<hr/> 2,27

NOTE.—The figures refer to the place of actual subscription and not to the place of residence of the subscriber.

MOTION FOR ADJOURNMENT.

ALLEGED REPRESSION AND INTERFERENCE WITH THE ELECTION OF A CONGRESS CANDIDATE FOR THE CENTRAL LEGISLATIVE ASSEMBLY.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of a motion for adjournment from Qazi Muhammad Ahmad Kazmi, who wishes to move for adjournment of the House to discuss a definite matter of urgent public importance, namely, the failure of the Government of India in stopping repression and interference with the election of the Congress candidates to this House caused by the arrest of Mr. Khedan Lal, Congress candidate in the bye-election from the Benares-Gorakhpur non-Muslim constituency, Central Assembly, under the Defence of India Rules, which is alleged to have been made for a speech delivered by him on January 21st at a meeting convened in connection with the Hindu-Muslim Unity Day.

I suppose the arrest is made on the authority of the Local Government or any other authority authorised by the Rules, and that the candidate will be tried in due course? Does the Honourable Member know under which rule

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): A report has appeared in the *Hindustan Times* of today to the effect that "the arrest is said to have been made for a speech delivered by him on January 21, at a meeting convened in connection with Hindu-Muslim Unity Day on the Town Hall".

Mr. President (The Honourable Sir Abdur Rahim): It is not an order of detention?

Qazi Muhammad Ahmad Kazmi: So far as I can see, it is not an order of detention.

Mr. President (The Honourable Sir Abdur Rahim): I suppose he will be tried in due course?

The Honourable Sir Reginald Maxwell (Home Member): I have no information on the subject. But it appears that the action has been taken by the Provincial Government under its own powers, and, from what the Honourable Member says, it is a case of prosecution for some prejudicial act.

Sardar Sant Singh (West Punjab : Sikh): May I know whether, if such acts take place in Provinces where the Constitution has been suspended under section 93 of the Government of India Act, it is not open to this House to discuss that matter, because there are no Provincial Assemblies functioning in such provinces?

Mr. President (The Honourable Sir Abdur Rahim): This Assembly is not a tribunal for trying these cases; it is the magistrates and the judges who have got to try such cases, and it has been repeatedly laid down in this House, and in the Parliament that with regard to any act done by any authority in the due course of the administration of the law—whatever the law is—the matter cannot be discussed on an adjournment motion. Therefore, the motion is disallowed.

Qazi Muhammad Ahmad Kazmi: May I be permitted to point out . . .

Mr. President (The Honourable Sir Abdur Rahim): I have disallowed the motion.

THE RAILWAY BUDGET—GENERAL DISCUSSION.

Mr. President (The Honourable Sir Abdur Rahim): The next item is the general discussion on the Railway Budget; and I have got, under the rules, to fix the time-limit for each speech. What happened last time when the Congress Members did not attend this Session was that I fixed 20 minutes for every speaker and 45 minutes for the Honourable the Railway Member's reply. I suppose that would also do for this occasion? **Syed Gulam Bhik Nairang**.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Mr. President, the general discussion of the Railway Budget is *inter alia* intended to bring under review the general policy adopted by the Government of India,—which in this case practically means the Railway Member—during the past year. Whatever may have been the merits of that policy till 1938, the Muslim League Party feels that it has operated to the prejudice of the Muslim community since the assumption of this portfolio by the present Railway Member. The grievances of the Muslim community have been consistently ventilated in this House in various forms, and I do not think this is the time to give an exhaustive list. Suffice it to say that whether we take into consideration the position of Muslims in the Railway Board or in the various State Railways, we are faced with the old tale of Muslim interests being neglected, and of little or no effort being made to improve their position in the various railway services. The

present Railway Member was fully acquainted with the nature of these grievances in the course of the discussion on the Railway Budget and cut motions last year. It is hardly necessary to point out that the object of these cut motions was to invite the attention of the Railway Member to Muslim grievances with a view to persuading him to adopt a just and fair policy towards the Muslim community, not only in the matter of appointments and promotions, but in all those respects which in their entirety constitute what is known as the Railway Department's policy and general attitude. A whole year has passed by since, and it is really sad to find that we have not been able to detect any sign in the Honourable Member's policy which will send a ray of hope into our hearts. As I have pointed out, this is not the time to go into details. To illustrate my point further, I would make a reference, on behalf of my Party, to just one or two important matters. The latest Administration Report on Railways reveals that, out of eleven appointments made to the superior services, none went to Muslims, and in the case of the lower gazetted service on the State-managed Railways, out of the 29 posts filled during the year under review, to one only was a Muslim appointed. I should like to make a brief reference now to the inquiry into Muslim grievances by an officer appointed in April, 1939. Muslim wishes were not taken into consideration either in choosing the person who was entrusted with the inquiry or in framing the terms of reference. The only note that was taken of our protests was the association of a Muslim officer with this inquiry, not in any responsible position, but more or less in a ministerial capacity. One knows, Sir, what to expect of an inquiry conducted in these circumstances. What, however, makes the position much worse is the speech made by the Railway Member at the Indian Railway Conference Association in October last which came up on an adjournment motion introduced into this House by Dr. Sir Ziauddin Ahmad in the first week of November, 1940. The Railway Member, of course, attempted to explain away his utterance,—and there are few things which are not capable of being explained or explained away. Let me quote Sir Andrew Clow's own words dealing with Mr. DeSouza's Report. He said:

"I am quite clear in my mind, and I feel sure that this Conference will agree with me, that we must not allow promotions to depend on communal considerations."

I leave it to all just and impartial persons to judge whether a definite expression of opinion of this nature by the Railway Member—who in matters of this kind constitutes the Government of India—will not seriously prejudice the consideration of the issue by the various Railways. The Muslim community feels that great harm to its cause has already been done by this utterance. Towards the close of the last Delhi Session, some of us told Sir Andrew Clow in a formal manner as to what the Muslim community thought of their policy. Our intention then was to send him a detailed list of grievances. On reconsidering the point, we came to the conclusion that we should not be justified in furnishing the Railway Member with such a list as it might result in action being taken against innocent persons by the Railway Administration. We do not wholly base our case on instances of individual injustice to Muslims. It is the Railway Member's outlook and mentality, as evidenced by his policy, to which we take strong objection. We are convinced that the Members of the Muslim League Party would not be serving any useful purpose by taking part, either in the general discussion, or in the discussion on demands for grants. Our best endeavours to persuade the Member

[Syed Ghulam Bhik Nairang.]

for Communications to look at things in the light of justice and reason have not only borne no fruit, but have unfortunately led him to adopt an attitude which, unless greatly altered, would do still more harm to our community. Our Party has, therefore, unanimously decided that the only constitutional protest it can make is to withdraw from this House while the Railway Budget is under discussion.

[The members of the Muslim League Party then withdrew from the Chamber.]

Sardar Sant Singh (West Punjab: Sikh): Sir, after the statement that has been made publicly on the floor of the House by the Deputy Leader of the Muslim League Party, it becomes rather hard to freely discuss the Railway Budget. It is no doubt for the Government, particularly for the Railway Department, to take note of the reactions that are likely to follow by this action of the second largest party in the House—on such an important occasion when the general discussion on the Railway Budget is to be taken up. My first reaction was that the Sikh community having far greater grievances against the Railway Department in the matter of services I might follow the Muslim Leaguers. But being aware of the fact that I am the only one Sikh member in this House, I do not think any useful purpose would be served by my walking out and not putting the case before the House in the hope that even now the light may dawn upon the Honourable the Railway Member, so that he may do justice by the Sikh community.

The point that I want to make out today on the question of services is that the Government of India committed the greatest political blunder when they issued their notorious Circular of July 1934. They are now suffering from the nemesis, which, as is said, grind slowly but surely. The Government of India are now suffering from the vengeance of the nemesis. When Government started to utilise a commercial department, not for the purpose of running it efficiently, but in order to create division amongst the different classes in India by extending their patronage to communities in the proportion of their political importance in the country, Government invited this day upon themselves and must thank themselves for the same.

However, I am now coming to the Railway Budget. The present Railway Budget, as it has been presented to this House, is very disappointing in several senses. Last year we were told that the fares were increased and the freights were raised so that the railway revenues may not diminish. Contrary to such expectations a record surplus has come in. The railways have earned something which they never earned before since 1924 or 1925; we are disappointed to see that those fares which were increased last year and also the increased freights have not been reduced at all. On the contrary, the Honourable Member, in a covert manner, threatens us with further increases if the railways are forced to grant certain concessions to the carrying of fodder and other grains. The Honourable the Railway Member forgets that he has already inflicted a tremendous injury on the cultivators and the producers of the primary products by raising the freights. Today the money that goes into the pocket of the cotton producer is reduced considerably when we find that the rate of cotton has fallen during the last year. The fall of the rate

of cotton means that the actual net price that goes into the pocket of the producer has been reduced considerably. Again, Sir, the continuation of the higher freights will tell adversely on the peasants of this country. I, therefore, ask the Honourable member to consider not merely from the railway point of view alone but also from the point of view of those persons who are suffering on account of the higher prices they have to pay for other necessities of life and the lower prices that they are receiving for their products and then tell us what relief the railways are going to offer to the rural population.

Sir, the next point that I want to take up is that the Honourable Member in his budget speech has not given any indication of the economies he proposes to introduce in the working of the railways next year. The arguments that we have been destined to hear in this House on various occasions have always led to one thing. When they were running the railways at a deficit, we were told that the freights and the fares must be increased because the railways need more revenue. When the railway earnings show surplus, we are told that no reduction in fares and freights should be expected because bad times may be ahead of them. This sort of argument will not satisfy anybody. If bad times are ahead and the fares cannot be reduced, then in the deficit years too it can be said that good times may be ahead and, therefore, the fares should not be raised. But there was no argument of that type. We expect that with this tremendous record of surplus in the railway profits, the third class passengers in particular and other passengers in general whose fares have been raised during the last seven or eight years should be given some relief.

Again, Sir, there is the question of supply of railway materials. It was after a great agitation in this House and outside that the Railways were persuaded to commit themselves that they will manufacture locomotives locally in India. We expected that the manufacture of locomotives in India will be carried on vigorously, but the incoming of the war has made the railway surrender some of their best workshops for the manufacture of munitions. I have no grudge against the manufacture of munitions for the purpose of the war. At the same time we cannot forget that when locomotives are difficult to be had from other countries, when wagons cannot be had from Germany or United States of America or even from England, then the duty of the railway lay in further efforts to find out ways and means to carry on the manufacture of these necessities of Railway Administration for the purpose and there should be no shortage of these things if the war is prolonged as it is expected to be prolonged for so many years. But there is no such policy laid down in the Honourable the Railway Member's speech. We are not told what the railway is doing for the purpose of encouraging the manufacture of their own rolling stock in India itself.

Then, one point to which attention has been invited at question time has been the increased pay that has been granted to Anglo-Indians in railway services. In 1936, the Honourable Sir Muhammad Zafrullah Khan who was then the Railway Member gave us to understand in very definite language, that no racial discrimination in salaries and emoluments will be permitted in railway services. But in 1939, the policy has been reversed without consulting this House and even without consulting the Railway Standing Finance Committee on this matter. The plea has been taken that this was done under the provisions of the Government:

[Sardar Sant Singh.]

of India Act and that it was done under the orders of the neighbour of the Honourable Sir Andrew Clow, namely, the Honourable Sir Reginald Maxwell. We are not concerned as to who did it or who did not do it. We are concerned only with one fact. Is the railway a commercial concern, run on commercial principles or not? If it is a commercial concern, then political considerations should not be allowed to enter in the adoption of any policy which is prejudicial to the railway finance. If it is not a commercial concern, then it should be open to other communities to get favourable treatment in the way in which it is given to Anglo-Indians. The railway has always taken this stand that it is a commercial concern and that it shall be run as a commercial concern on commercial lines. But may I ask him why did he permit himself to be put into such a position where the Home Department forced him to accept the position of favourable treatment being given to a particular community in India. If racial discrimination is to be carried on in commercial concerns, I do not know where the thing will end. The position has again and again been challenged on the floor of the House that the railways should be run strictly in accordance with commercial code of business and not on any other code. But here again the plea, the shelter which the Railway department has taken behind the provisions of the Government of India Act and behind the orders emanating from the Home Department is not convincing and cannot be convincing either to the public or to the Members of the Opposition on the floor of the House.

Then, there is another point which I want to take in connection with the general discussion on the Railway Budget and that is the anomalies that you find in the matter of promotion and recruitment to the railway services. In reply to my speech which I gave on the last occasion when I referred to the hardships of the guards on the North Western Railway, the Honourable Member gave me to understand that there seemed to be some justification for the grievances of the guards and on that occasion he promised to look into the matter. I am grateful to him for that. Now one year has passed, he has given some consideration to the conditions of the railway guards. There is no doubt about it. But somehow or other things are worked out in such a manner that where we expected some fair consideration of the conditions of the particular class of servants, it turns out to be something different from what they desired. Last time I gave him facts and figures to show that the North Western Railway guards had their promotion stopped when they reached probably Rs. 60 or Rs. 68—I do not remember exactly—and a reference was made to the North Western Railway to look into the matter favourably. It was done, but with what result? The result was that very few persons were promoted and those who were promoted were not promoted on their merits at all. They were promoted because they happened to be the favourites of a particular officer or other. Will the Honourable Member please make enquiries into the fact that seniority was not considered at all. I anticipate that the Honourable Member will say that in a selection post, seniority is not the mere criterion to judge whether he should be selected for the promotion or not. I quite agree. There it is a sound principle, but when selection becomes a cloak for favouritism, it becomes a cloak for corruption, for dishonesty in promotion. I am entitled to protest on the floor of the House that this sort of selection should not be allowed to

remain in vogue. If he were to send for a list of the various persons according to seniority, he will find that the claims of the seniormost man have been entirely ignored in all cases in which there was not an iota of complaint against the performance of his duty. What principle guides the Selection Board? What considerations are brought to bear in selecting certain persons to the highest grade? That is a thing which is left to the discretion of the Selection Board. They are not guided or controlled by any rules and regulations with the result that favouritism, nepotism and even actual bribery is the order of the day on the North Western Railway. I will read from the telegram which I personally received this morning from the guards bitterly complaining against the treatment meted out to them. And such complaints I have received from all headquarters on the North Western Railway. There is not a single station from which this sort of complaint has not been sent to me. It says:

"North Western Railway Guards' Association Central Working Committee Resolved Strongly urges fulfilling pledge your 522-E-199, dated 12th August 1935 reinstating present strength of 204 guards grade Third, Fourth to 638 as 1935 avoiding heartbreaking discontent amongst 626 guards blocked retiring Rupees 68 Emphasise promotions pooled seniority instead selection direct recruitment involving nepotism favouritism."

This telegram speaks for itself. There is an open charge made by the employees against the Department of nepotism and favouritism in the selection of guards of higher grade. Will the Honourable Member care to look into it? Will he send for the seniority list of the various guards and find out if seniority has been taken into consideration at all? Will he try to find out whether there was any complaint against these guards who have not been selected? If their working has been normal, if they have been giving satisfaction to their superior officers in the discharge of their duties, why have they been superseded and overlooked? The Honourable Member has said on one or two occasions that in making selections communal considerations have not been taken into account. Will he please look into the selections made during last year from the cadre of guards whether communal considerations have or have not weighed with the Selection Board? If they have so weighed why should he stick to the ground that there were no communal considerations in making promotions and selections?

The Honourable Sir Andrew Olow (Member for Railways and Communications): In favour of what community?

Sardar Sant Singh: The Honourable Member may look into the list and form his own opinion.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Sardar Sant Singh: I will conclude by saying that the system of giving no indulgences to the public when there is a surplus should not be continued, and some relief should be granted to the taxpayers when there is a surplus.

Mr. M. S. Aney (Berar: Non-Muhammadan): Sir, may I make a request? The time limit is generally fixed by you with the consent of

[Mr. M. S. Aney.]

the Parties for the convenience of the debate. Now that the two biggest Parties are absent, I do not think a little latitude to the Members speaking will create any inconvenience as regards time. I put the suggestion for your consideration.

Mr. President (The Honourable Sir Abdur Rahim): If the House so desires, the Chair will extend the time to half an hour.

Mr. L. C. Buss (Nominated Non-Official): Sir, at the outset of my brief remarks I should like just to express my regret at what we have heard from the Deputy Leader of the Muslim League Party that he and his colleagues have decided to take no part in this debate, and I am sure that regret is shared by all of us in this House.

The Railway Budget introduced by the Honourable the Railway Member on Wednesday the 19th February is the second Railway Budget since the present War began. If there is to be any reality in our discussions, it is obvious that the War is the background against which all our comments and criticisms of this Budget must be set. Clearly, the War must have a bearing on so many aspects of Railway operation, both financial and otherwise, that it would, I believe, be folly merely to reiterate on this occasion time-honoured themes, however applicable these may be to normal times.

The Honourable the Finance Member in presenting the General Budget for 1940-41 looked for a substantial contribution from the Railways to the General Budget. He has not been disappointed. Indeed he has been fortunate in obtaining even more revenue from this source than he had hoped for, and not only Government but the whole country will be glad that this is so. For the financial year that is just ending as well as for the financial year 1941-42, the large contribution from the Railways—being as it is to some extent in the nature of indirect taxation—affords the Honourable the Finance Member the revenue which he sorely needs, and which, had he not obtained it from this source, must have been obtained by some further increase in other directions. Even in normal times our Central revenues are dependent upon a substantial contribution from the Railways—in time of War it becomes even more important than ever that Railways should pay the fullest possible contribution to the national effort.

The Honourable the Railway Member has told us that apart altogether from their financial contribution, the Railways and their staff are playing a part in the War effort in other ways. For example, we have heard of the conversion of certain Railway workshops to the production of munitions. Whether this contribution is as high as is possible in the circumstances may be open to doubt. But I am sure that the Honourable the Railway Member is fully alive to this aspect of the case. We hope that as the War goes on the efforts now being made to employ Railway workshops, etc., on munition production will steadily increase. No one who has regard to the maintenance of efficient working on the Railways can fail to appreciate the strain that must inevitably be imposed, if, in addition to the maintenance of the rolling stock, etc., accentuated by the heavy increase in traffic, material contribution is also made to specific war production. But, Sir, the needs of the present are

paramount and we believe it to be essential that nothing should be left undone to utilize to the utmost any surplus capacity of these great workshops.

For the first time for many years, the Railways have been able to make their full contribution to Central revenues under the terms of the Convention. In addition to that, it is proposed that half of the balance that would normally have gone to Railway Reserve Funds shall be diverted to Central revenues. The financial position of Government being what it is, there is no doubt in our mind as to the wisdom of this course and this brings me to the question of the moratorium under which the Railways are now working. This moratorium is due to lapse on the 31st March, 1942, and it seems more than likely that, before that time has elapsed, this House will have to agree to yet another extension of this moratorium. In this connection, I would refer to what my predecessor said in connection with the necessity of building up reserves in times of prosperity to meet essential capital expenditure that will certainly arise in the immediate post-war period. Fortunately, both the Depreciation Fund and the General Reserve will receive additional funds this year, and I hope also during 1941-42. Nevertheless, the combined figure of the Depreciation Fund and the General Reserve still falls short of the ideal which Government has set themselves as their minimum objective.

As the Honourable the Railway Member pointed out, a series of two or three bad years will cause serious inroads to be made upon this reserve. In these circumstances he has rightly stressed the need for a conservative policy. We strongly support this view. If the experience of the last great European War and its after-effects is any guide, serious falling-off of revenue is likely in the immediate post-war period. There remains, therefore, need for careful planning now in regard to the future.

Perhaps one of the most outstanding features of this Budget is the reference that has been made to the purchase, during this financial year and during the coming financial year, of three Company-owned systems, the Bengal Dooars, the Assam Bengal and the Bombay, Baroda and Central India Railways. This decision is in line with Government's general policy and in line also with a policy that has already been approved by this House. It is also fully justified having regard to the large sterling balances available that have made these purchases possible.

Again, in coming to a decision to dismantle nine out of 18 lines that have proved unremunerative, Government have made a courageous decision and one that can be fully justified not merely on the ground of sound finance but as a definite contribution to India's war effort.

We particularly welcome the Honourable the Railway Member's remarks in paragraphs 11 and 12 of his speech where he compared the running of Railways to the running of commercial undertakings. An efficiently run Railway system is obviously of paramount importance to the industrial development of any country. This must be especially the case in India where a well developed system of roads is still only in the making.

Reference has been made to the inclusion in the Budget of provision for a dearness allowance to Railwaymen whose salary is in the neighbourhood of Rs. 30 a month. Government have indicated that this matter is still under consideration and until we have more specific information I prefer at this stage to refrain from comment.

[Mr. L. C. Buss.]

Before I conclude there is one small though important item of detail to which I should like to refer—I mean the decision to appoint an Inspectorate cadre. This is a point that was mentioned by the Chief Commissioner of Railways in another place. It is in accordance with the motion already adopted by the Legislature and it is a decision which will certainly be widely welcomed.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Mr. President, I should begin with my regret at the manner in which the Opposition Party,—the Muslim League Party,—walked out. I think they have done a distinct dis-service to their community in not staying here and discussing this important Railway Budget; and I am sure the Muslim community will take a note of the action of the Muslim League Party in this House.

I congratulate my Honourable friend, the Communications Member, on his remarkable luck. That remarkable luck has made him present to us a remarkable balance sheet. But he frankly stated that it was not due to normal trading but that the increase in revenue was accounted for by the enormous traffic due to the war. I may add that it is due also much more to the enormous rates and fares that he imposed on us last year. He wanted 5½ crores and he has got 14½ crores; and not a word did he say about reducing the fares and freights. He is aware that the export trade has come to a standstill.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): How can reduction help the export trade then?

Sir Abdul Halim Ghuznavi: It will help in this way that produce of one province can be exported to another province where it is not grown. He has not said a word about it. He has got much more than he wanted and I submit this should not have been his attitude. He has got more and that should surely have weighed on him to give at least some relief. I shall give one instance—to indicate the sort of relief that the Honourable the Communications Member offers in his budget. Look at what he says: "This allows for no important changes in freights or fares." Very well. We should expect no reduction. "But we intend to reduce the surcharge on coal by five per cent. for the months from April to October." He is not reducing it for the whole year: he is only reducing that five per cent. for the months from April to October, when I do not carry coal and I do not want to carry coal because at that period I have not got money enough to store the coal in my factories. He knows it and yet he gives me the advantage of this five per cent. surcharge. I have received a telegram from Calcutta forwarding me a copy of a telegram sent jointly by the Indian Mining Association, Indian Mining Federation and Indian Colliery Owners Association to the Railway Board:

"Reference discussion on surcharge railway freights at joint meeting on the 27th January, understand it is the intention of the Railway Board again levy additional five per cent. surcharge November, 1941 to March, 1942."

It is clear from his speech, where he has specifically said that the

12 Noon. concession is meant for the period from April to October only.

"In view of the satisfactory position of the railway finances as disclosed by the Railway Budget, the three Associations consider there is no justification for additional

surchARGE again to be imposed from November 1941. The three Associations consider flagrant injustice that coal should be singled out for 15 and 20 per cent. surcharge against 12½ per cent. only throughout the year on general merchandise. Indian Mining Association, Indian Mining Federation and Indian Colliery Owners' Association hereby jointly protest most strongly against re-introduction of additional surcharge from November next."

Now, Sir, these three Indian Associations have jointly appealed to the Honourable the Communications Member not to again impose the five per cent. surcharge from November, 1941 to March, 1942. And, surely, this is a very small concession that the trade expects of him to grant.

Now, Sir, what was the experience that we gained in the last war of 1914? During that period of war also we had remarkable balance sheets, but how did we spend those huge balances instead of keeping them in reserves for the rainy day? One of the instances in which those remarkable balances of those days were spent was the construction of the Cawnpore Railway Station. It was criminal expenditure, if I may say so on that one station alone. I hope, Sir, the Standing Finance Committee will be particularly careful to see that these remarkable balances which the Government will now be having are not spent in the manner in which they were spent during the last war.

Now, Sir, my Honourable friend made a statement in his speech. He regretted that the locomotives manufacture owing to various difficulties had to be suspended for the time being. Sir, I am reading from the proceedings of the Standing Finance Committee for Railways,—4th and 5th July, 1935. This is what is stated here :

"Several members of the Committee expressed keen anxiety to have a locomotive manufacturing shop started in India as early as possible."

My friend, Sir P. Raghavendra Rao, was the chairman then, and he explained that :

"The inquiry undertaken by the Railway Board regarding the probable financial results of the institution of a railway boiler manufacturing shop was nearly complete and that it showed that it was probable that, given a demand of not less than 120 boilers a year, the cost of manufacture would not be prohibitive, though it was likely to be in excess of the present cost of importation from the continent."

Further on, he said :

"The investigation was expected to be completed shortly, and it was their intention to place a full memorandum containing all relevant data before the Committee for their advice before Government took a decision."

That was, Sir, in 1935. The Report was made in 1936. May I know what the Government have been doing all these years in this matter? Look at the position today. Look at the result of Government's inaction. They are not able to get their engines made here. Today they are stranded completely. You say you cannot do it. You have only ordered 25 boilers to be made at the Bombay, Baroda and Central India workshops at Ajmer. Now, what will you do next year if even the Ajmer workshop is not able to give you more? The Congress Members, Nationalist Members and the Muslim Members have been advocating year in and year out on the floor of this House and pressing on the Government the importance of undertaking the manufacture of boilers in this country. What have the Government done so far? And, Sir, do I not know what your predecessor's answer was in regard to this matter? He said it was impossible financially, it was a reckless task, and he brought forward all sorts of opposition whenever a proposal was made here for the manufacture of railway engines in this country since 1927. And then, since this

[Sir Abdul Halim Ghuznavi.]

Report was out, instead of taking prompt action on it; you did nothing; you kept quiet, and the result is, you find it is really impossible to undertake the manufacture of railway engines under the existing conditions.

Then, Sir, I was surprised to hear what my friend said about acquiring these Railways,—I mean the Bombay, Baroda and Central India and the Assam Bengal Railways. My friend said:

"I should like to make it clear, in view of possible misapprehension, that the Government of India have never accepted the view that every contract for the working of a Company owned railway should be terminated whenever opportunity offers, irrespective of the merits of the case. Indeed, in the case of one of these railways, the previous option, which arose in 1931, was not exercised, and all cases must be considered in the light of the advantages and disadvantages as they present themselves at the time."

Now, may I read what my friend's predecessor, Sir Charles Innes, said

The Honourable Sir Andrew Clow: Don't read it from the Political Information Bureau—you may be wrong?

Sir Abdul Halim Ghuznavi: Please correct me if I am wrong:

"Mr. C. A. (later Sir Charles) Innes, the then Commerce and Railway Member, stated in 1923, that logically it was difficult to defend the existing system of company management of railways in India. Sir Charles had announced that the Government accepted the unanimous recommendations of the Acworth Committee that the Government should transfer the domicile of the railway companies to India as the existing contracts came to an end and that direct management would enable the Government to carry out a really useful measure of grouping different railway lines."

Therefore, it is no use saying that the Government have not made up their mind. The Honourable Member said, "Indeed, in the case of one of these railways, the previous option, which arose in 1931, was not exercised . . ." That was because there was no money then; in 1931 there was world wide depression. That is the reason, and not because, as he says, "we have not made up our mind. We keep an open mind. If we find that it is beneficial we shall buy. If not, we shall not buy." But this House has repeatedly said, that the Government must buy as soon as the existing contracts come to an end.

Mr. M. S. Aney (Berar: Non-Muhammadan): Dr. Sir Ziauddin Ahmad is not here; otherwise you can ask him.

Sir Abdul Halim Ghuznavi: He might have spoken much better on the subject than myself because he has studied the subject. Referring to the dismantling of the railway lines, my Honourable friend said:

" we have so far closed or ordered the closing of only 9 lines out of 18 which the House will find detailed in the memorandum placed before the Central Advisory Council last December. Of the 9 lines selected for dismantling 6 were opened in the period 1927—32 and of the other 9 on the list, seven were opened in that period. We regard all the lines notified as unremunerative."

From the Summary of Proceedings of the Meetings of the Central Advisory Council for Railways, you will find that there are 18 in the list of which my Honourable friend has said that they have dismantled nine. He has issued notice regarding the nine others, but if circumstances permit, he may not remove them, but if they do not permit, he would remove them. We have not examined whether they are unremunerative. We

have taken the statement of the Government as correct, but we have also explained at that meeting that we did not object because we felt that we should not do so as it was for war purposes, but we said that if they wanted to dismantle any of the other nine, they should remove only such lines where other mechanical transport arrangements were available. One of these railways I understand has not parallel mechanical transport arrangements and that is Kalukhali-Bhatiapara, Eastern Bengal Railway in Bengal. I understand there is no other service. There was only a boat service, but now they cannot go by river even on that portion.

An Honourable Member: No roads.

Sir Abdul Halim Ghuznavi: No roads also. I hope that the Honourable the Communications Member will bear this point in mind when he decides as to which of the other nine lines he should dismantle.

As regards ticketless travel, the Bill which has just been passed by this House, I have no doubt, will shortly become law, and I have always supported it. But at the same time I have tried to impress on the Honourable the Communications Member that the best thing to do is to prevent passengers from getting on to the platform without tickets. You must take all preventive measures before you enforce this ticketless travel measure and punish people with sentences of imprisonment. What have you done? Many of your stations have no fencing. Fence out the railway station. Keep your third class booking offices outside the fencing. As regards slot machines my Honourable friend asked me to go and see it at the Delhi station. I see it at the Delhi station not less than 50 times a year travelling backwards and forwards. And my Honourable friend says that they have to keep a man at the slot machine. If you instal a rubbish slot machine you will require a man. In the underground railways all over London they have only slot machines and no men in attendance. Have you ever heard of any slot machine in England requiring a man to look after it? If you cannot have more slot machines, then have more booking offices in the stations.

I would request my Honourable friend to pay a surprise visit to the first class carriages on the East Indian Railway, and not to travel in his saloon. He will find for himself whether repairs are not needed in almost every item. Most of the carriages are in absolute disrepairs. The taps do not work, there are no amenities there. Doors get jammed.

An Honourable Member: Windows do not open.

Sir Abdul Halim Ghuznavi: Windows never open. That is the condition of the first class carriages in the East Indian Railway. When Chambers of Commerce appeal for a change in the timing of trains, when we go to the Railway Board we are asked to go to the Time Table Committee. The Time Table Committee will not listen. They say, "Gentlemen, we cannot do this, we cannot do that." There ends the matter. If we go to the appellate body, which is the Railway Board, they say, "Please refer to your Time Table Committee." We reply, "We have referred to that Committee, but it will not listen".

The 7 Up and 8 Down, Tufan Express as it is called, used formerly—ten years ago—to be run at very convenient times. It used to leave Calcutta at about quarter to 4 and arrive in Delhi at about 4 o'clock or

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quarter to 4. Similarly, it used to leave Delhi at a quarter to 4 and arrive at Calcutta at about quarter to 4. Goodness knows what happened. It began to leave Calcutta at 1 o'clock and arrive Delhi at half past 8, leave Delhi at 8 o'clock and arrive Calcutta at 9 o'clock.

Lieut.-Colonel Sir Henry Gidney: They do not want another Bihta inquiry.

Sir Abdul Halim Ghuznavi: After repeated begging of the East Indian Railway people we were told that one of the reasons is this, that we do not run a duplicate train. So, the train which brings us, No. 7 Up, has to be washed and cleaned and so on and then it starts back late. All this because there is no arrangement for a duplicate train. Will the Communications Member with all the money in his command provide us with a duplicate train in any event and make it a convenient timing, if not anything else. Have you heard of such a thing? They have not got a duplicate train. Every train has a duplicate train except this 7 Up, which is a most important train service. That is the most convenient train which passengers like but there is no duplicate train. I hope, Sir, in conclusion that the Communications Member will at least give this relief to the commercial bodies which they want and not impose this five per cent. surcharge from November to March, 1942.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member in charge of the Railways thoroughly deserves our congratulations for having presented a budget with such a big surplus, from which he has been able to contribute such an enormous amount to the general revenues at this critical time. This budget that he has presented to us is certainly a remarkable one. But I think its remarkability ceases when one realises that it is, what I might truthfully call, one of the twin budgets, the two members sitting close to each other today being responsible for the twins. I would not call them Siamese twins but they are certainly financial twins. If you reduce one, you affect the other. If you produce one, you don't reduce the other. The Honourable Member has certainly been lucky. It is better to be born lucky than rich and certainly, during the two years of his tenure of office, he has been able to present very excellent budgets and he has been lucky also because he is not faced with a strong opposition today and any opposition that did exist has disappeared from this House. I share the sorrow of the last Speaker who remarked on this exit of our worthy brethren.—the Muslim Group, and while I do not think that they deserve to be sent to Ranchi or to be called insane, I am afraid they have committed a tactical blunder in not being here to press their points. I certainly am one of those who has a big heart, to support my Muslim brethren. I think it was I who many years ago first sowed the seeds of discontent in their minds

Sardar Sant Singh: Seeds of mischief?

Lieut.-Colonel Sir Henry Gidney: and you Guru Sant Singh have fertilised them. I remember it. So it is a matter for great sorrow that they are not here today and therein lies the larger amount of luck that faces the Honourable Member. It can be truly said that this surplus

budget is not due to any particular efficiency or proficiency on the part of the railway staff. To my mind it seems to be a case of Peter has paid to Paul, that which Paul has had to pay back to Peter. It is a paper transaction and the large surplus is due to increased rates and fares associated with the almost starvation wages of the employees. I shall have more to say on this matter later on. But none the less the Honourable Member does deserve our unstinted thanks and congratulations.

I should not emulate my friend, Sir Abdul Halim Ghuznavi. I remember a memorable occasion in London when I was present at a secret meeting. It is all finished now. The Round Table has now become square. I remember how at the meeting Sir Abdul Halim Ghuznavi emptied his pockets of sheafs of telegrams which he had sent to himself. I am not a financier. I do not pretend to be one. The Leader of my Group has touched on these matters and I associate myself entirely with what he has said and I shall leave it to other experts in finance to deal with those problems. I shall only deal with certain aspects of the Honourable Member's budget speech which appeal to me and which have a direct bearing on the interests of the community whom I represent in this Honourable House.

The Honourable Member has said that a certain number of officers and men have gone to the fighting forces. I am not aware of any large number of Railwaymen who have gone to the front, except it be from officials and a few companies of subordinate staff. One State Railway on the other hand a few months ago issued a circular putting a cold blanket on the enthusiasm and patriotism of its staff. Indeed this railway went so far as to say that any effort on the part of the staff to seek war service would be considered as an attempt to better their prospects and that it would not be allowed. It added a conciliatory note that they would be told when their services were required. Such a notification from a State-managed railway, the G. I. P., I may say, has been responsible for the absence of that patriotism which characterises the community that I represent in this House and it is with a great sense of sorrow that I bring this to the notice of the Honourable Member in charge of Railways. I ask him to give members of my community serving the railway an opportunity of serving their King and country and not to think of their effort as a desire on their part to better their prospects. For, after all, the loyalty of certain people cannot be bought. I submit that it is in the interest of the entire Railway Administration, as the largest employer of labour, not to discourage the sense of loyalty of its employees. I would appeal to the Honourable Member, therefore, to instruct the Railway Administrations to encourage these people in their desire to serve their King and to grant them a lien on their appointments, be they permanent or temporary. I know that it may be suggested that railwaymen serve their King and country just as well as servants of the Railway Administration. It is also said that they occupy key positions. But all of them are not holding key positions and it is on behalf of those people that I make this appeal.

Now, every loyal subject of His Majesty will be happy to hear of any contribution which we are in a position to make of men, money and material towards the efficient prosecution of the war. I shared the same feeling when I heard the Railway Member's announcement that certain railway lines had been de-railed and that the rails had been sent to England for purposes of the war. I am glad to note that he has not de-railed or un-railed all the lines that he had in mind and which were brought before the

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Central Advisory Council. But what I should like to ask the Honourable Member is, if this is so, then why were these Railways constructed? What survey and what investigation was made?

An Honourable Member: Whom are you addressing?

Lieut.-Colonel Sir Henry Gidney: Certain railways are today found to be unremunerative. Why has the Railway Administration been maintaining these unremunerative railways for all these years? And now these are found to be unremunerative. I agree with the Honourable Member that we should do our best to help the Empire at a time when metal is sorely needed, but why construct such unremunerative lines at all. Sir, I think myself that more care is needed before new railways are constructed or surveyed; for such unnecessary expenditure compels retrenchment in other directions and the only economy in the mind of the Railway Board is to reduce the salaries and the amenities of its subordinate staff.

Now, I wish to refer to that part of the Railway Member's speech in which he talked about the services rendered by the Railway staff. The most disappointing feature of his speech was the absence of any help to be given to the sorely-trying, over-worked, under-paid, diminished staff of the railway services in this country. It cannot be denied that the description I have given of that staff is the correct one. No doubt the Finance Member and his financial officers will say that when they can get men at lower rates why should they give higher rates of pay? But remember that happiness and contentment of the staff are the chief factors that contribute to the efficiency of your workmen. Why give these men only sympathy and thanks—a starvation diet?

But a still more disappointing feature in the Railway Member's speech was his announcement regarding the manufacture of locomotives. Sir, as early as February, 1927, I was the first Member in this House to press the need for the construction of locomotives in this country and it gave me great delight when I saw that the Pacific Enquiry Commission had recommended that locomotives should be built in India. Here we are told again, after a special Committee sat and recommended this, that "we cannot prosecute this work". . . .

Mr. T. Chapman-Mortimer (Bengal: European): On a point of order, Sir—is there a quorum in the House?

(The bell was rung and there was then the necessary quorum.)

Lieut.-Colonel Sir Henry Gidney: I thank you, Sir, and I thank the Honourable Member for pointing this out. Sir, we are told that on account of the war we have to postpone the manufacture of locomotives. The Honourable Member also stated that a certain number of engines had been ordered—twenty-five I believe—and were to be constructed by the B., B. and C. I. Workshops. I am glad that in India we have this one workshop capable of doing this, but I believe,—I speak subject to correction,—that the Ajmere workshops are not equipped for the manufacture of broad-gauge engines; I believe they manufacture only metre-gauge engines. I also understand rightly or wrongly, that the locomotive workshops at Ajmere do not manufacture engines *en bloc* or in their entirety. They only assemble the engines. The important parts such as the wheels, axles,

the boilers and such other things are brought from England and are assembled in Ajmere. In any case I submit with all respect to the Honourable Member that this is putting off a strongly expressed demand of this House and on the part of the country. We have given a lot of time to consider this question of manufacturing our own locomotives, and now, when England is so pre-occupied in supplying her own needs, why should the war be put forward as an excuse for further postponement? Have the same reasons been adduced in regard to the manufacture of aeroplanes? No, Sir. Indian industrialists are reported to have offered to finance the manufacture of aeroplanes. What has influenced the Government to look on those offers favourably? Why then should we not also manufacture locomotives in this country? Sir, to rely now on the home country is sorely to strain the manufacturing capacity of England. I submit, with all respect to the Honourable Member, that the time has come, indeed it is long past when we should start the manufacture of locomotives in some part of this country where it is possible to do so. I hope, Sir, that on a further consideration, the Honourable Member will give this matter his serious thought irrespective of the cost and unmindful of even some possible loss of efficiency.

Sir, the Honourable Member, in another part of his speech, has spoken about the amalgamation of the Eastern Bengal and the Assam-Bengal Railways. Sir, I am in favour of the amalgamation of Railways chiefly from the point of view of economy and lessening the administrative staff. But here it has been decided by the Railway Board to amalgamate the E. B. and A. B. Railways—I have no doubt their experts have advised them to do so and that they are more equipped with information than I am,—but I cannot conceive why the Assam-Bengal Railway is to be amalgamated with the E. B. R. and why is it that the E. I. R. and the E. B. R. ought not to be amalgamated. Anyone who is familiar with these two Railways will agree with me that at Kanchrapara and Lilloosh, a few miles distant from each other, are two separate big workshops manufacturing and repairing carriages and wagons of these two State Railways. The Stores Department is also uneconomically duplicated. One could readily understand the amalgamation of these two Railways for that would not only mean a reduction in staff but considerable economy. But here we are told that the amalgamation is to take place of the E. B. R. and the Assam-Bengal Railway. It does not need much persuasion from me to convince the Railway Board—unless that Railway Board is cracked—that the Assam-Bengal Railway functions mainly on the other side of the river. Do they realise that by this amalgamation they will not obviate two offices in Calcutta and Chittagong, two workshops at Kanchrapara and Puhartali. I think it is a matter that deserves their consideration. I am certainly for amalgamation, but I do consider it would be a much wiser method and a more economical one if the E. I. and E. B. Railways were amalgamated and not the two that they propose to amalgamate.

Sir, I have not much enthusiasm for State control over railway administration. The Railways ought to be run, if they are to serve their purpose, as purely business concerns. The object of these railways should be to serve their customers and to keep their servants efficient and contented regardless of political considerations. I regret to observe and I do so with a full sense of responsibility and experience that in the State-managed railways many of these considerations necessarily take a back

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seat if any seat at all. Politics is allowed to interfere to a very large extent. Bureaucratic influence and red-tapism, inherent in State-management, contribute to a large increase in officials and inordinate delay, and efficiency is sacrificed in an effort to meet the demands of politicians. And if I am about to sound a note of discord it is because in the one instance I have in mind there has been a very serious disregard of fundamental principles of administration. The chief defect of a Company-managed railway, on the other hand, is nepotism and favouritism. They are almost synonymous terms. Being human one can excuse that to a certain extent for it is not entirely absent even in State Administrations. But when favouritism is allowed to get the better of rules and regulations affecting the safety of the travelling public for whom the Railway caters, and for whom the Railway Member is personally and directly responsible not only to the Government but to the Secretary of State for India, it is time that even a confirmed supporter of Company Administration like myself should raise my voice of condemnation against that Railway regardless of the consequences.

I refer to the South Indian Railway and the appointment last year of a person who did not possess the prescribed qualifications as Chief Medical Officer of that Railway. It is not as if the error was not pointed out to the Administration and also to the Railway Board and the Railway Member. A District Medical Officer of that Railway in defence of the dignity of his profession not so much for his own advancement respectfully and in an Irishman's language pointed out to the Administration this lapse on its part. Even if he had his own advancement in his mind, no man may say he was wrong in attempting to secure his legitimate rights against the vagaries of favouritism. But he failed in the attempt. His appeal to the Railway Board pointing out the action of the Railway in disregarding its own previous ruling in the matter of qualification for the Chief Medical Officer and those of the Railway Board was withheld by the Administration. It is not an Anglo-Indian who is concerned in this matter and this I say for the information of my Honourable friend, Sir Andrew Clow. Dr. Johnson is not my client. I am not a professional politician. This I say again for the information of those who are anxious to know it. Dr. Johnson is a brother medical officer, an Irishman, he may be a Sinn Feiner; so is the Railway Board; so is the Finance Member and so is the Communications Member. We are all Sinn Feiners in our own line. We have our own obstinate views. Now, Sir, this officer is a Britisher and a victim of a Board consisting of Britishers. When he mentioned to me as one whom he knew, as I met him a few years ago at Trichinopoly, about the manner in which the profession was being insulted by the utter disregard of medical qualifications prescribed, I felt it my duty first to cable to the Home Board, next to the Honourable the Railway Member and later to this Assembly. Dr. Johnson was summarily removed to the smallest district in his railway as a punishment and he was later summarily dismissed. Here is an example of a Britisher who has been exposed to the caprice of a body of people sitting 7,000 miles away administering the needs of millions who travel on the Railway and who has been removed from service because he had the temerity to ask for his rights and protest against what is wrong. If that is the fate of a high official, a senior District Medical Officer and a British born subject even though he was an Irishman, can this House imagine the fate of an ordinary subordinate who dares to protest against what he considers unjust action on the part

of the Administration? If the regard paid by the Home Board of the South Indian Railway and its Agent and retiring C. M. O. to past rulings in the matter of C. M. O.'s qualifications is to be taken as a criterion of fair administration, what chance has a subordinate to get the Railway officials to implement the appeal rules of which we spoke at such length the day before. If in the case of a District Medical Officer he deserves to be discharged because he communicated with and sought the advice of a person whom he considered capable of giving him advice, what will be and is the fate of a Railway subordinate who commits such a heinous offence? I shall deal with Dr. Johnson's case in further detail on some other occasion. But my object in referring to it here is to show the chief defect of Company Administration, particularly so far as those who serve under it are concerned. I will go so far as respectfully to call upon the Communications Member—I know I have his sympathy and I admit with gratitude the part he played—that the time has now come when he should assert his position, in the same manner as he does in other railway problems, on Company-managed railways. It is no use giving the stereotyped reply: "We cannot interfere". You can and you do. You interfered with Bengal Nagpur Railway seriously on two occasions. Once when my community was concerned and on another occasion when there was a labour strike. But in these cases the record was a disreputable one, the genesis of which I hesitate to tell this House. But I bring to the Honourable Member's notice the case of Dr. Johnson and I suggest to the Honourable Member that unless the Home Board gives a satisfactory explanation and complies with his request, this House should seriously consider the termination of the contract of these Company-managed railways which can be done if they disregard these fundamental principles. Happily this is not my experience of all the Company-managed railways. I see the Finance Member is indulging in a very fine smile but I can assure him that his blood would boil if he knew what was being done to us. I have had the nicest of relations with the South Indian Railway.

As for the Bengal Nagpur Railway, it is really an ideal employer of labour. But this particular case is an outstanding instance of gross miscarriage of justice and I feel it my duty to quote it as an example of the extent to which a Company Administration can go and the need for the reservation in the hands of the Government of India a greater voice in the administration of justice as between employer and employee on Company-managed railways. What is the use of the Honourable Member saying that Government possesses 90 to 96 per cent. of the property when you allow the four per cent. to rule you and when you say that you cannot interfere with these railways. It is foolish; it is a farce to say that you own these railways and yet you cannot control them simply because it pleases them to throw a few debentures on to the market and because they have a Home Board of retired Agents.

It is the worst nucleus to form a Home Board. Retired Agents who have lost the control of their nervous tissues go there to form the Home Board full of their own bureaucratic ideas. Brutus speaks, let no dog bark. That is the Home Board for whose vagaries the officials here have to suffer. Sir, I cannot be tepid in my feeling. Here is a gross dereliction of duty, an ugly dereliction of duty and the Honourable Member for Railways cannot deny that. It is no use saying that this man is a Sinn Feiner, this man has a little Johnnie Walker. Who has not when he goes to a club. There is no use of complaining like that. Why have this post

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mortem on a man's ability. With, all the emphasis at my command, and I seek the support of this House in this respect, I call upon the Honourable the Railway Member to demand an explanation from the Home Board as to why the claims of this senior officer have been overlooked for the post of Chief Medical officer. If not, we will table a Resolution here asking the Government to terminate the contract with the South Indian Railway. No doubt, the Honourable Member will have the upper hand because on his advice everything depends. I again repeat, I know I have the heart of the Honourable Member. He knows this matter as well as I do. He knows my feelings on this matter. He would have known the feelings of this House had I moved the motion for adjournment last Session. Sir, I again appeal to the Honourable Member to look into this matter. Why put an unqualified man as the Chief Medical officer. He was not even fit as a District Medical officer; he cannot, therefore, be a Chief Medical officer simply to satisfy the whims and caprices of an Agent who, unfortunately, is no longer in this world.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has two minutes more.

Lieut.-Colonel Sir Henry Gidney: I have just a few remarks to make.

The other question I want to discuss is the question of selection. To say that you have promotion by selection is a very vague claim. Some promotions are done by seniority, some are done on a salary grade and others are done on qualifications and still others are done on no principle at all. In my opinion, Sir, in all railway matters there are three sides, the subordinate side, the official side and the right side. I want to come to the right side of this selection of appointments. Whenever one makes any complaint about these appointments, then selection comes in, this is raised whenever a junior man is placed over a senior. I can readily understand the need for the Railway Board to get a junior man in the prime of life well trimmed capable of rising higher. I encourage that. But when you come to a professional appointment, such as the vacancy of the Chief Medical officer, I desire to know who compares the value of the three men whose names are put up from various parts of India. Do you get a medical man to assess their values, or is the privilege given to one man, one non-professional man to decide "this man is fit, not that man". Do you give the other man a chance to work and rectify his errors if any?

Sir, this method of promotion by selection is very largely one of nepotism. I believe the Honourable Member in charge of Railways has a very high sense of justice. But who has advised him in the recent appointment of Chief Medical officers? Did the Railway Board advise him?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must conclude. He has exhausted his time limit.

Lieut.-Colonel Sir Henry Gidney: I ask the Honourable Member to take serious notice of this and other matters. I have a lot more to refer in my cut motions.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I rise with a heavy heart to speak on this occasion, because I find on this side I have to address empty Benches and on the other side only 30 Members are present. I find that even on the Government Benches some are out. I do see that Honourable Members of the Muslim League Party have disappeared from the House, though it cannot be said that all Muslims in the country or in the House share their views. I find my Honourable friend, Sir Abdul Halim Ghuznavi, and a few other Honourable Members in this House do not share their views. However, I will not come between them. It is not my policy to come between them, nor does the occasion require me to do so. I only refer to this because it is really a sorry plight to see that on this side of the House two of the major parties, the Congress and the Muslim League have considered it fit to go out of the House. Now, it cannot be said that both have no grievances. The country is already dissatisfied with the policy of the Government. They have declared it so often. They have said that this political blockade should discontinue.

An Honourable Member: You mean deadlock!

Mr. Lalchand Navalrai: Yes, this political deadlock is due to the insistence, the persistence and the dogmatism of the British Government and the Government of India. Long ago the Congress thought it fit to boycott the House; today we find the Muslim League have joined that boycott in the sense of walking out. It may be for a day only, because I do not think they will do it for all times. If the Government offer them something more, they are sure to walk in again. The Muslim League have adopted this policy only with that end in view. Now, Sir, the question is who is responsible for the discontent in the country and the bad feeling between the Hindus and the Muslims. (Interruption). Well, my Honourable friend says, Railways. Yes, Railways form part of the Government. I say Government is responsible. They have introduced into this country the policy of divide and rule. They have done it from the very beginning. The Government are solely responsible for the present state of discontent in the country. The Government stick to their present policy to the detriment of the country. Having pursued this policy of divide and rule all along, the Government now come forward and say that unless the Hindus and the Muslims join together, we are not going to give you any reforms.

Mr. President (The Honourable Sir Abdur Rahim): We are not concerned with that. The Honourable Member will deal with the Railway Budget.

Mr. Lalchand Navalrai: I am coming to the Railway Budget. These are merely preludes. Now, Sir, coming to the question of the Muslim League, they have thought it fit to walk out of the House today. I do not know whether they have genuine grievances at all or not. But I must take exception when they say that they have a genuine grievance against the present Railway Member. I will not join them in this criticism of the Railway Member. Many times the Muslim

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League Members have said the Honourable the Railway Member is a reasonable gentleman. From that point of view, I will not say that I disagree with them. But what is their position today? - There are one or two points that have to be considered in condemning the Honourable the Railway Member on this occasion. Of course, after all it is the Muslim League that has done it. Not all the Muslims of India have done it. The Muslim League members have done this with a view to making the Honourable the Railway Member to succumb to their demands, with a view to give them more than their just due share. This is a different question and I am not going to say anything on that. There are two points that have to be borne in mind. In the days of the Honourable the Railway Member two things have happened and they are more or less on the demand of the Muslim League Members mostly. One is, I find Khan Bahadur Muzaffar Hussain as a member of Railway Board. At any rate there is a Muslim Member on the Railway Board whereas there is not a single Hindu. Now, to think that their interests are not safeguarded there, is to condemn their own man. So if a few smaller appointments here and there do not go to them they should not condemn the Railway Member. I do not hold any brief for him but a charge has been made and it is for him to clear himself. I will only say that these two points occurred to me. The second is this; they say that their recruitment has not come up to the ratio which was wrongly awarded to them by promising appointments on communal lines. In that connection, when they wanted an officer to investigate into this question, it was on their demand that Mr. DeSouza was appointed along with a Muslim officer to prepare a report. And questions put here have elicited the reply that Muslims have not only got their proper share but even one or two per cent. more. I must say that for the walk-out staged today it is the Railway Department as well as Government who are responsible. Why did they issue that Circular in 1934 instead of giving appointments on merits? That was, however, when Muslims were not well-educated. But now they are quite well-educated and they are passing all kinds of examinations and they are actually getting appointments. Now the time has come when that Circular should be withdrawn. So the responsibility lies with Government. But I may say that every community has got a grievance and we Sindhis have got in Sind a grievance, against the North Western Railway.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better not discuss provincial matters. He should confine himself to the Railway Budget.

Mr. Lalchand Navalrai: I am speaking of railway appointments. In the Sind area the people of the soil are not getting appointments but importations are made from outside. But on this account we never intended to stage a walk-out. But this question of Sindhis also has to be investigated and the grievance remedied.

Now coming to the actual budget, it is necessary, according to a convention which has grown up, to say whether we congratulate the Honourable Member who presents the budget or condemn him. On that point no one can deny that it is a very bright budget. It is a prosperous year for the Honourable Member and we have to see whether it is his luck,

which has brought about so much surplus or something which he has himself done. In this connection I must congratulate him on his tact and foresight. He had to satisfy the general revenues and to satisfy that obligation at this time of war he played a far-sighted and tactful part in framing his budget in this manner. One cannot say that it is only his tact and far-sightedness exclusively that has produced this surplus. We have to consider that rightly according to him and wrongly according to the country, he imposed a surcharge on freights and rates. The travelling public had already got discontented with the increase in rates and fares every now and then and when this surcharge was imposed the fares were already very high and there was a demand for reducing them. That demand being there, the imposition of this surcharge is not correct at all. We are not going to cry over spilt milk but we want the Honourable Member now to consider whether this surcharge should continue any more? I shall show from facts and figures that it is not necessary now that the whole surcharge should be levied and recovered. He should consider reducing it.

Then, the question arises whether anything has been shown in the budget by which it can be said that economies have been made. I do not find any. We have been asking that economies should be made, and if economies are made, the question of help in the war would also be solved to some extent. The Honourable Member has done nothing. This question has been agitated often about officers of government drawing very high salaries and their salaries have not been reduced. Even that is not considered in these days when money is required for war purposes and for other amenities in the country itself.

Then there is the question of the divisional system on the railways which has been condemned many a time in this House. It is a very expensive and cumbrous way of carrying on the administration. Formerly there were not so many officers and the work was going on all right under the district system. Nothing has been done to remove the surplus officers there who are doing no work. One can safely say, therefore, that the Honourable Member has made no economies.

Coming now to the financial position we find that the Honourable Member has got a surplus of 1,459 lakhs. Out of this 6½ crores go to general revenues. The Honourable Member has indicated how this money should be allocated. He says that according to the convention the first charge is the contribution to general revenues—463 lakhs; in addition he has to give to the general revenues the last year's balance of 30 lakhs. Then after putting three crores to the railway reserve, another 222 lakhs go again to general revenues. The total of all these contribution comes to 715 lakhs.....

An Honourable Member: He has given too much!

Mr. Lalchand Navalrai: It is a question whether he should have given all this at once. There is no doubt about that. Then he has got a large reserve and that reserve has to get first, three crores out of the surplus; and out of the remainder he has also put 444 lakhs, in reserve in all 744 lakhs. The total of these two items comes to 1,459 lakhs. Nothing is left for any amenities or advantages to the country.....

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can resume his speech after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Dutta) in the Chair.

Mr. Lalchand Navalrai: Sir, before the lunch hour, I was pursuing the point that there is no more necessity of having a surcharge on the existing rates and freights, and that relief should be granted under the present financial conditions. But I have shown that there are large surpluses now kept by the Honourable Member which amount to 7.44 crores. The position of the estimated budget for 1941-42 is also very rosy. It is clear that there will be a surplus in the year 1941-42 to the extent of 11.88 crores. Now, Sir, in order to justify my own point that this surcharge should be removed, I submit that after providing for 4.63 crores for contribution to the general revenues minus the loss on strategic railways, it will leave a balance of 7.20 crores, and if the 6½ crores which are to be realised as surcharge are not recovered it will still leave a balance of 70 lakhs in reserve fund, and this sum will be added on to the large reserves that you now have got. Therefore, there is every justification for demanding the removal of the surcharge, and I hope the Honourable Member will consider this matter very seriously, because at the time this surcharge was removed, he had to remove his own obligations of paying to the general revenues. Now, even if in the next year the general revenue obligation is made good, even then there will not be a deficit budget. Under these circumstances, I would request the Honourable Member to consider this matter seriously, and if he cannot remove the entire surcharge, I hope he will see his way to remove at least 50 per cent. because even that much mercy will be great source of relief to the people.

The next point I wish to take is one which relates to the question of promotions to the staff. I have already condemned the policy of the Government in regard to introducing communal considerations with respect to recruitment, because the staff is suffering very greatly on that account. Their present policy of recruitment appears to be incorrect. To introduce communal considerations even in regard to giving promotions is entirely a wrong policy, because you will thereby be creating great confusion, and the confusion will be worse confounded later on, because you will have to consider every time whether a man is a Hindu, Muslim, Christian, Parsi or Anglo-Indian when giving promotions, and it will bring about so much confusion that you will find it very difficult to carry on the administration. Therefore, I hope the Honourable Member in charge as well as the Government of India as a whole, will not yield or succumb to any influence that may be brought upon them, and that they will carry on their present policy with boldness and independence with which they have followed till now.

Now, Sir, I come to the question of fares for suburban tickets. In paragraph 28 of his speech, the Honourable Member in charge, has referred to the investigation in progress in regard to fares for suburban tickets.

These tickets are largely used in city areas where people do not find sufficient living accommodation and have to find accommodation in the suburbs. Most of the people who take advantage of these tickets are employees or petty merchants, and if the fares are increased it would hit them very hard. The railway is likely to lose this traffic, for, the increased cost may be as much as these people save in rental by remaining in the suburbs, and therefore the railway traffic will also decrease. There is also the possibility of their taking to road transport, as all suburbs are connected with the city by good motorable roads. Therefore, this policy should not be followed, and the concession that they enjoy should continue.

Next I come to the question of rebates. In the same paragraph reference is made to the investigations being made, as to whether rebate on wheat exported from Indian ports is justified. With the encouragement of rebate, the merchants accumulate large quantities of wheat at ports and try to find foreign markets with a view to obtain rebate. If this concession is withdrawn, it would impede trade, and without any encouragement, the merchants will not try to secure foreign markets for Indian wheat. The concession of rebate on exported wheat therefore should not be withdrawn.

Then, Sir, I refer to the question of war allowance. I find that a sum of Rs. 189 lakhs has been provided in the budget estimates for war allowance to employees and for some other items which have not been disclosed or defined. With regard to war allowance, it is a well-known fact that the Government had appointed a Court of Inquiry. The Report of this Court was submitted in December last. No orders have been issued so far on its recommendations. There has been considerable delay, and the labour naturally is growing quite restive at this delay, because it has been passing through difficult times. Sir, a press telegram from Bombay states that the Great Indian Peninsula Railway Union Executive is meeting on the 23rd inst. that is, tomorrow, to decide the future plan of action, and strike appears to have been contemplated. There appears to be absolutely no reason why the Government should delay issue of orders granting this much needed relief to their employees. Since provision has already been made in the Budget for the grant of war allowance, I hope the Honourable Member will see that orders are issued at once.

Then, Sir, with regard to the nature of the relief, the Court of Inquiry has laid down limits of pay for the city, urban and rural areas at Rs. 35 and Rs. 25 respectively. That scheme would not give proper relief. It is not, that only these classes of employees have been affected by the increased cost of living owing to war, but there are other classes of employees as well who are living on the border of insolvency. They are middle class people employed in lower clerical jobs carrying a salary of Rs. 30 to Rs. 60. This class of employees also needs relief very badly. Therefore, in any scheme of war allowance, the staff drawing up to Rs. 60, should not be overlooked. For the purpose of determining salary, only pay and no other allowances paid in cash or kind or as a facility or other privilege like a free house, should be included in pay, for, railway employees work under peculiar conditions and need some facilities and privileges which do not necessarily increase their wages.

Then, I come to the long pending question of the first grade clerks. There is a question of relief to grade I clerks employed in various branches of service on the North Western Railway. This class of staff who is seen

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working at stations, sheds, shops and offices,—they are blocked on Rs. 60. There is no provision for easier flow of promotion to the next higher grade. A large majority of them have to retire on this salary. This is surely an insufficient wage for persons with long service and large families doing the most important work as railway's sales agents. The question of giving them relief has been agitated since last 12 or 15 years. At one time, in 1930, amalgamation of grades I and II was in sight under which scheme an employee could go to Rs. 90—95 without a hitch or want of vacancy in the higher grade, but owing to the general depression of 1931, the proposal had to be shelved. Since 1939 this question has been under the active consideration of the Railway Board. Hopes have been held out since long. Something definite should be done for these men to ease the flow of promotions. The best proposal would be to amalgamate grades I and II. If this is not possible, the clerks who reach Rs. 60 in seven or eight years time should automatically step in grade II after about 12 years service irrespective of any consideration of vacancies in grade II. I hope the Honourable Member will reconsider the matter in the light of the considerations that have been now put before him and pass orders favourably.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Mr. Lalchand Navalrai: I thought I had only spoken for twenty minutes.

Mr. Deputy President (Mr. Akhil Chandra Datta): I am afraid the Honourable Member is wrong. The time is noted down here.

Mr. Lalchand Navalrai: I won't take long, you may grant me another one or two minutes and I will finish.

Mr. Deputy President (Mr. Akhil Chandra Datta): That is another matter. The Honourable Member will finish soon.

Mr. Lalchand Navalrai: On the Great Indian Peninsula Railway, clerks having completed 10 years' service automatically go up to grade II or in the scale which reaches the maximum of Rs. 80 by fixed annual increments. There is no reason why the North Western Railway clerks should be dealt with differently.

Further, with regard to the divisional office clerks it is apparent that grade I and II clerks in these offices do similar work, though it was originally intended that grade I clerks would do initial work of record keeping and routine matters, but in practice they have been working as disposal clerks exactly like grade II clerks. This fact has been admitted by the Divisional Superintendents in their official correspondence with the General Manager and by the General Manager himself. I refer to his letter No. 522-E./235, dated the 4th August, 1937, addressed to Divisional Superintendents. This is how the relevant portion reads:

"It is remarked that the duties of Grade I clerks in a large number of cases are those which are performed by disposal clerks."

The Divisional Office clerks do most important administrative work and like the clerks in accounts offices their work is of important nature. Since the grades I and II for accounts office clerks have already been

amalgamated in 1935, the same treatment should be accorded to the divisional office clerks. There are only about 450 clerks in grade I in these offices and the recurring expenditure on amalgamation or another scheme of relief would not be much—it may amount to a few thousand rupees at the start and then go up to a lakh of rupees eventually.

I will also refer the Honourable Member to the necessity of considering the question of territorial appointments in certain divisions of the railway. Sindhis are suffering on that account. The manner in which the Sindhis are being recruited at present in Sind section of the North Western Railway is very defective.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member must conclude his speech.

Mr. Lalchand Navalrai: I appeal to the Honourable Member in the end that this question of recruitment of Sindhis should not be considered lightly. If the policy is changed for the better, there will be no discontent.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): The Honourable the Railway Member has been congratulated for his good luck in presenting this surplus budget. That luck has come to him in the form of Hitler, the war; but, as they say, one man's meat is another man's poison. The war which has benefited the railway has ruined the agriculturists. It has stopped all their exports and they are reduced to a very pitiable condition. The Honourable Member, in the part of the speech referring to the surplus according to his revised estimates, has observed:

"This increase in coaching traffic is particularly encouraging as affording evidence of increased prosperity among the masses."

I may tell him that the masses never enjoyed any prosperity, and, therefore, there is no chance of their increased prosperity. Those who are aware of the conditions in India during the last ten years will decidedly say that the agriculturists who are the masses—because 75 or 80 per cent. of the population in India live on agriculture, they are all agriculturists—never enjoyed any prosperity, can never be said to have any increased prosperity. "It is particularly encouraging as affording evidence of increased prosperity among the masses." As I have said, these agriculturists are suffering from long and continued depression on account of the failure of crops and the reduction in the prices of staple products, and the railway has been very unkind to them, because the railway has given them no concession in the matter of freight in transporting their goods for sale to the nearest market.

I will now refer to that part of the Honourable Member's speech where he has referred to the dismantling of railway lines. These railway lines were dismantled for shipment overseas. Let me refer to the relevant portion of the speech.

"We regard all these lines notified as unremunerative. . . ."

It is some consolation to know that lines which, if we had remained at peace, would soon have proved superfluous, are going to meet an urgent need and to feel that it is not a case, as in the last war, of leaving the tracts affected, without mechanical transport altogether."

It seems to me very queer that lines which were constructed and must have been constructed after taking into consideration all the facts as to

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whether they would be profitable or not, should prove in the long run uneconomical. We have had no proof that these lines were being run uneconomically. The Honourable Member continues :

"In present circumstances, the motor transport industry should be able to carry profitably most of the traffic which these branch lines found inadequate for their maintenance."

This is meant as a consolation to those who might grumble regarding the dismantling of these railway lines. It is very hard for the agriculturist to make his voice reach the Honourable the Railway Member. There have been protests as regards inconvenience caused in several parts of the country on account of the dismantling of the railways. We had an instance on the floor of the House as regards Lower Bengal where a line which has been dismantled is going to cause a great deal of inconvenience.

Now, Sir, the consolation which has been offered to those who are going to suffer on account of the inconvenience caused by dismantling of the railways is the motor transport. How does it affect us now? It is no consolation at all. In these days of war, all the motors have been requisitioned by the army. I have a letter here from the Provincial Motor Union, Central Provinces and Berar which says this: "In this province nearly one hundred motor vehicles are being acquired by the military authorities for training their drivers at Jubbulpore. In this connection the association has made a representation to the Central Provinces Government as well as the military authorities, Jubbulpore, a copy of which is herewith attached for your information." Now, the Railway Board says: 'Gentlemen, don't get irritated, don't get uncomfortable over the situation which has been created by the dismantling of the railways. There are the motors'. Now, the motors which are being offered as a sort of consolation are being requisitioned by the army. I wish there was some sort of co-ordination or co-operation between the two Departments so that the agriculturist or the passengers whose inconvenience caused by the dismantling of railway lines is to be removed could be properly looked after. In these days petrol is getting dearer and scarce and also lubricating oil is getting dearer and when everything is getting dearer, how can a man afford to travel in motors, the motor travelling will be rare and dearer. The remedy suggested as a matter of fact is very defective. There can be no remedy when the army requisitions all the motors. Therefore, I submit that the Honourable Member had better be very careful about the interests as well as the convenience of the agriculturists, and the convenience of the poor masses while dismantling these lines.

Then we have had a little reference in the speech to the construction of broad gauge locomotives. We have been given the reason why these cannot be manufactured at present. I am not going to criticise this at length because the matter has been discussed already. I would like to know, because there is no indication in the speech that has been made, what arrangement they are going to make to train men for the skill which is necessary for the manufacture of these locomotives. Do they say that they will do nothing hereafter. It may be that your hands have been requisitioned for the purposes of the war but nothing prevents you from advertising for candidates, if you want candidates, who will be trained as skilled labour for manufacturing these locomotives. There must be

hundreds of mechanical engineers who, with a little training for a certain period, could be made competent to manufacture these broad gauge locomotives. In this connection I should like to refer to what the Department of Labour is doing. It is advertising for candidates for training them in skilled labour for the purposes of Ordnance or defence and other necessary services for carrying on this war. Why cannot you do it? At the back of their mind is there the idea not to have the manufacture of these broad gauge locomotives in this country? They are to be blamed for their neglect in the past; these locomotives were to be manufactured today with that very skilled labour. Certainly it could have been manufactured years ago with the same labour which has been transferred to the Defence Department now. We have had no inkling beyond the fact mentioned by the Railway Member that they have transferred these skilled workmen. But why cannot you do something? Why don't you take steps to do something. So far as this part of the speech is concerned, it is most unsatisfactory. I should have expected some initiative in the matter, if skilled labour was the thing that was necessary. It cannot be said that they are devoid of any initiative or that they also cannot take the steps which have been taken by the Labour Department and other Departments, when they want hands to carry out their work.

I come now to freights and fares. The Honourable the Railway Member has said that there can be no reduction. He says: 'If I reduce the rates and freights, then where is the money which is to be contributed to the general revenues'. That is the point. As Sir Henry Gidney observed, it would seem that the Honourable the Railway Member and the Honourable the Finance Member who are sitting together are twins. It has been a sort of manipulating things between them. It has been suggested: 'Look here, don't cry for the reduction of freights and fares. Otherwise you will have to bear more taxes'. As a matter of fact, there is no guarantee that the Finance Member will not burden the general taxpayer with other taxes. Even if the fares and freights are reduced, whatever deficit there would be, could be saddled on persons who are able to bear the burden such as the industrialists or the capitalists by way of certain other taxes. The reduction of fares and freights would go a long way to relieve the agriculturists.

Then, Sir, incidentally in connection with this question of freights I may mention that we cannot cherish the hope that food and fodder would be exempt from the freight that is at present enjoyed by them. It has been said in the speech:

"We propose to continue the exemptions for food grains and fodder from the increased freight given last year, because so far as we can see, extra expenditure on staff will not be on a scale rendering it necessary to secure more revenue in that direction; but I would remind the House of the warning I gave last year that the maintenance of the exemption on food grains must depend on the demands made on us for the remuneration of our staff, and that the case for exemption of fodder is not so strong as it then was."

As an agriculturist, I can say that fodder is getting scarcer on account of the failure of the Jowar crops and other crops and it is necessary that fodder should continue to enjoy the same exemption. As regards food, he warns us indirectly that so far as war allowances are concerned or increments and promotions are concerned not to ask for them. He says: 'if you do, then I will take away the exemption which food and fodder now

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enjoy'. I have to say the same thing about food which I have said in connection with fodder, because in many parts of the country, particularly in the parts from which I come, there has been failure of the crop of rice and jowar, and it would be necessary to carry food from one part of the province to other parts, and if this food is going to lose the exemption which it enjoys now, then the prices which are today prevailing in the market will go higher up and the poor man will again suffer. So I submit that food as well as the fodder should enjoy same exemption, whether demands are made on the Department as regards a war allowance or otherwise. One other thing I should like to mention in connection with these fares, *vis.*, that there should be a reduction in the matter of the fares. I do not know—not being on any of the committees—whether there is no retrenchment possible in the matter of expenditure, and if that is possible, I should certainly like that the fares and the freights should both be reduced. As a matter of fact, we, the agriculturists, have been complaining so far year after year since the last two or three years that the freight which is put on goods, so far as cotton is concerned specially, should be reduced. Cotton growers enjoy no other facility, no subsidy to help them and therefore any little help from any Department of the Government would be welcome to them. I hope that this Department will be good enough to give them the necessary help.

Sir, we have heard much about the complaints about promotions of the staff. As one who represents a constituency which is not exclusively a Hindu constituency but a general constituency, that is, I represent the Europeans, the Anglo-Indians and everybody else, except the Muslims, I would suggest one thing to stop all this bickering in the matter of promotions. Give every community equal opportunities for training, but in the matter of promotion be very strict, and no promotion should be given except to the man who is efficient; otherwise it may lead to any amount of bickering and a good deal of unpleasantness and the heads of Departments would find it very difficult to manage these things. This is really a very salutary rule which the Heads of Departments should put before themselves irrespective of what one community does or threatens to do.

Mr. Lalchand Navarai: Without fear or favour.

Mr. Govind V. Deshmukh: Of course, I am saying that, and if they have got a little bit of the Churchillian spirit in them, they have no reason to be afraid of anything. These are my observations on these points and I hope these will be considered.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadian Rural): Sir, the Honourable Member for Railways has read to us a report which gives only the figures which he has received as surplus for the Railways. In this report he has not dealt with either any policy regarding the management nor any other amenities he proposes for the railway staff. Sir, we expected that he would give us a better report than what he has given. Of course, during the last Budget speech he anticipated the present surplus because he knew the war was going on and there would be a brisker and a larger volume of transport for war demands and, consequently, he expected a surplus and he also anticipated that the

customs would go down and consequently the railway surplus would have to be transferred to the general revenues, and we have nothing to say against that. Sir, we stand here as representatives of the people. Knowing that the surplus would come, he advocated an increase of rates and fares: knowing that our people are really overtaxed and very poor, still, he insisted upon that and rightly has he helped the Government, but he has wronged the people. He has praised the railway staff for their loyal services, for their strenuous services even at the sacrifice of their advantages. Of course, the encomiums that fell from his lips may be some compensation for the labour but they come without any glimpse of hope for the future and they are not told what will be their reward in the future. He has not given a little suggestion about what he would do for them, and as he has done towards the Railway staff, so he has done towards labour, he has not done anything for either.

Sir, he has shown that the surplus is due to two causes, first, the war and, secondly, the prosperity of the people. Really speaking, the fact is that on account of the war and on account of the enhanced rates and fares he has reaped a good harvest, but with regard to the prosperity of the people, well, it is a matter of opinion. Are the people really prosperous? And on that account how much has he earned from the Railways. He has not shown in this report in detail. The apportionment of the surplus between the income he has got from the passengers, the income he has got from inland transport trade and from the war demand. I wish he had done it. In that case we could have come to understand what would be the position of railway finance if the war stopped. During the war, if the whole surplus should be absorbed either literally in money or as debited to the general revenues, through paper transaction, what would be the position of railway finance if the war stopped, Sir, we are in a very anomalous position. Our political party which formed the majority here are against the war. We want to co-operate with the Government so that the Nazis may not come to our country, as we do not desire such a change. But if for war effort the authorities go on squeezing the poor people, who starve from day to day, it would not be a desirable attitude on the part of the people in power. I would like that the Honourable the Railway Member should consider this aspect of the case and give up the idea of continuing these enhanced rates and fares. During the next Session, we would like him to restore the former rates and fares. The freights and fares are too high for our agriculturists and they cannot gain anything under the circumstances. If they earn something, they will have to pay quite a lot of it for enhanced rates and fares. The Honourable Member said "that deficits and surpluses alike depend largely upon factors outside the control of the Railway Administration." Seemingly it is true, but really speaking if a responsible officer were to calculate the assets and liabilities and take into consideration all the circumstances, I am sure, he would find out a formula by which he could pass over both good and evil days without resorting to abnormal taxation. Consequently, the Honourable Member might have avoided this increase in rates and fares if he had calculated them rightly.

The system of transport introduced by railways is based from the outset on wrong foundations. When the railways were conducted by companies, they did not care for economising. They never cared for economy, and extravagance was the characteristic of the railways under company

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management. But why should a State-managed railway follow the same principle of extravagance? On the floor of this House, we have been requesting the Honourable the Railway Member year after year to economise the expenses at the top. The Railway Board itself is an extravagance. If the Honourable Member really wants to save our poor people from taxation by increasing the rates and fares, he can do so by curtailing the expenses at the top. The top-heavy administration of railways is known to everybody and despite all efforts to bring this home to the Railway Member year after year, we have failed. Sir, we will go on dinning into the ears of the Honourable the Railway Member the facts that we find to be detrimental to the interests of the country, and it is for him to accept them or not.

Sir, we want that all the railways should be State-managed railways, expecting that the State would take steps for the amelioration of the people of India. The standard of the State-managed railways up-to-date has not been what we had been expecting. The difficulties of the third class passengers are being advocated here year after year and yet they go on the same way without making any improvement in that direction. This is disgraceful. It is the third class people who pay the major portion of the revenues of the railways so far as traffic is concerned and yet they remain neglected all the time. We hope that the Honourable Sir Andrew Clow will in his time do something to show that he has a heart to do it.

Sir, I have already spoken about freights and fares. Of course, during the war he may not find it possible to reduce them and he should keep in his mind that freights and fares should be reduced at the earliest possible moment. The railways are really meant for helping the agricultural people so that they may have an easy market for their raw produce. They are also meant to give facilities for the opening of new industries on places bordering on railway lines. The Railway Board should try to achieve these two objects and find ways and means from the funds at their disposal. We had our waterways which are all closed now and we have been accustomed to speedy forms of transport.

Sir, for a long time the Railway Administration has been showing a differential treatment in the case of services. Formerly it was confined between whites and blacks but now it has gone down to communities as well. We know that the Honourable the Railway Member has no bias for any racial discrimination. The Honourable Member is far from showing any racial discrimination. But if he is bound to do it, I would ask him to ensure the efficiency of the Railways first and foremost and he should keep this discrimination within limits. Public utility services like the posts, telegraphs and the railways should not be turned into profiteering concerns. If that is so, any profit making company might be given a chance to take the railways and manage them. The chief object of the railways should be to ameliorate the condition of the people and to give a fair deal both politically and economically. But now-a-days we find the railway has become a profiteering concern. This should be stopped. Sir, since the State has taken over the management of certain railways what profit or benefit have we got? Has the Railway Administration in any way improved the condition of the staff? Has it improved the condition of the passengers? We do not think that any improvement has been made

on the lines or in the manufacture of locomotives. Of course, when the railways were Company-managed, no Indian was placed in any important post. But the case of the State-managed railway is different. This much can be said that in State-managed railways, some Indians are now placed in responsible posts such as Agents, but in the majority of cases, there is still the same distrust of Indians. The Railway Board should now try to Indianise the entire railway staff as best and as soon as they can. The time has come when Government should think of Indianising all the services. There is no dearth of competent Indians to fill all the posts in the public utility services creditably.

On the floor of the House, recently we had the sad experience regarding the ticketless travellers Bill and regarding the Resolution urging the appointment of a judicially-minded officer to hear appeals. Under ticketless travel there is only a .5 per cent loss to the railways and for this petty loss the Honourable Member has been trying to pass a Bill which we do not desire to be passed. Really speaking we have the experience of several cases of appeals which should have received greater attention. From the speech of the Honourable Member, I see that the Government have decided to take more railways under State-management. We welcome this and we also wish that all the State-managed railways should be brought under one control and under one law. Different laws are not desirable for different railways. It is better to have more meetings of the Advisory Council and of the Standing Finance Committee so that we, as representatives of the people might keep the people acquainted with what is going on from day to day in the railway administration and the railway system. That would give the people more chance to lay their grievances before the Railway Board so that there might not be difficulties for them to be solved.

Sir, in the report we have found one redeeming feature and that is this, viz., five per cent. of coal surcharge has been reduced. Sir, that is not enough. My Honourable friend, Mr. Sundar Lal Daga, has placed before me a telegram from the Marwari Chamber of Commerce requesting the Honourable Member for Railways to reduce the enhanced scale of rate on goods like linseed, jute, groundnut and cotton. The conditions of jute and cotton are very depressing. It is necessary that freights on these two goods should be curtailed at once. So, before the Honourable Member thinks of setting to work for the next year, I appeal to him to give his best consideration to the following. What freights he could reduce from which article. I do not say that freights could be reduced on all articles at a moment particularly at the time of the war. But these things which had a very good market before the war and which are now rotting should have a preferential treatment for reduction of fares. The Marwari Chamber of Commerce says that linseed, jute, groundnut and cotton are the four items which require special care.

Further, Sir, with regard to third class passengers and the improvement of the condition of the railway staff, we believe that the Honourable Member for Railways has always an open mind and I am sure that he will find that the improvements we have mentioned here cannot be prejudicial to his earning a surplus in the next year. He will have a surplus so long as the war is there and as such the inland trade should not be neglected. Those who are not able to export their goods and raw produce will rot here during the war. If this sort of passenger fares and

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freights continue it would not be of any benefit to the country. There are many other problems,—the traffic problem, the co-ordination of motor and rail traffic and various other things which require a good deal of consideration. And during the war we should give our best consideration to the problem as to how to make the railways an agent for the amelioration of agriculture and industry in India in future particularly just during and immediately after the war.

Lastly, the Railway Member has not taken care to tell us about the accidents that are happening on the railways. During the last three years there have been several accidents, particularly on the Eastern Bengal Railway and the East Indian Railway. Why should these be allowed to continue or even to happen at all? Often it is said that these are due to sabotage but inquiries showed that there was no sabotage but simply carelessness on the part of the railway administration. A little more care and caution would have saved these people and would have saved the railways from paying compensation. Lastly, I request the Honourable Member to find out how he can stop these accidents. If they keep the staff and labour discontented these things are bound to happen because they will feel reluctant to work hard. If they had happened on the Company lines we would not have spared the Companies. I request the Honourable Member to take these into consideration. He deserves our congratulations as regards the surplus but he would have deserved greater congratulations if he had provided better amenities for the staff and the third class passengers.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhaminadan Urban): Sir, a surplus in a budget, is always welcome and the present railway budget surplus is of a phenomenal nature. But it would be taking a superficial view of the matter if we were to regard this surplus with satisfaction. A surplus is a source of satisfaction when it is secured without any sacrifice on the part of the people. But how has this surplus been obtained? To use the words of the Railway Member, this surplus represents "a devastating sacrifice not merely of property but of life and welfare". This is not all. This surplus has been secured by means of additional taxation which has meant an additional burden on the shoulders of the poor people. Therefore, we cannot congratulate ourselves or the Honourable the Railway Member on the occurrence of this surplus.

It would have been a matter of real satisfaction to us if this surplus had been secured by measures of economy, but in his speech the Honourable Member did not indicate any measures of economy which he had taken or which he was contemplating. We, from this side of the House, have time after time been advocating measures of economy, but our words have fallen on deaf ears. Once again, I consider it my duty to urge the adoption of measures of economy. How can economy be secured in Railway Administration? It can be secured in many ways, in a large variety of ways, but I will mention only a few of the most important of these methods.

In the first place I think economy can be secured by means of Indianisation. I am one of those who hold the view that Indians, when appointed to higher posts, should be satisfied with lower scales of pay than Europeans. They are serving their own country and they should

not expect the same rates of pay as are expected by foreigners. Indianisation has, I admit, made some progress, but it has not yet gone far enough. So far as the gazetted posts are concerned, I find that at the present moment three-fifths of these posts, roughly speaking, are held by Europeans and Anglo-Indians and only two-fifths are held by the children of the soil, including Hindus and Muslims. Now, I do not wish to raise a question of racial discrimination; but it is on the surface, and anybody can see it. The Anglo-Indians who represent a very small proportion of the population hold more than nine per cent. of the gazetted posts. Then, again, as regards emoluments, the Europeans get their overseas allowances, whereas the Anglo-Indians get higher scales of pay.

Lieut.-Colonel Sir Henry Gidney: Only some of them.

Dr. P. N. Banerjea: Some of them.

Lieut.-Colonel Sir Henry Gidney: All Indians also get it; all in the Telegraphs Department get it.

Dr. P. N. Banerjea: I am not on unfriendly terms with my Anglo-Indian friends, nor have I any quarrel with Europeans. But justice demands that all communities should be treated equally and with the same measure of fairness. This is the most important measure of economy which I suggest, namely, further Indianisation; and in this matter I should like to point out that so far as the highest posts are concerned, the number of Indians appointed to these posts is still exceedingly small. Why is this so? Is no talent available in the country at all? No; that cannot be the reason. The reason must be found in the colour bar. My Honourable friend, Sir Henry Gidney, has spoken of nepotism and favouritism. I do not know whether the Honourable the Railway Member has any nephews in the Railway Department

The Honourable Sir Andrew Clow: No.

Dr. P. N. Banerjea: I would not accuse him of nepotism. But I do know that nepotism exists in the railway service and favouritism also to a large extent prevails. That is an evil which should be rooted out.

Another measure of economy which I should like to suggest, and which I have suggested several times before in past years, is the amalgamation of railways. I am glad to find that the Honourable the Railway Member is prepared to amalgamate the Eastern Bengal Railway with the Assam Bengal Railway, which will shortly become a State railway. But he ought to go further and he ought to carry the policy of amalgamation to a much greater extent. I would strongly support the suggestion which was made by my Honourable friend, Sir Henry Gidney, that the East Indian Railway should be amalgamated with the Eastern Bengal Railway. This would save a very large amount of the overhead charges and would secure a great deal of economy in administration.

I will now touch upon some of the most unsatisfactory features of this Budget. To me it appears that the most unsatisfactory feature of this budget is the decision of the Honourable the Railway Member not

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to give up the surcharges on fares and freights levied last year. He himself admits that 6½ crores out of the surplus is due to the additional taxation which was levied, and still he is not prepared to do justice to those on whom this burden has fallen. My honourable friend says that it is satisfactory to find that the increased charges have not produced "the dire effects" that were apprehended by some critics. Does he mean to say that the raising of the rates and fares did not produce any adverse effect on the agriculture, trade and industry of the country? If he says that, I will say he is entirely mistaken. That is a wrong view of things to take.

Then, I come to the effect of the raising of the freights on the coal industry. All Members of this Assembly must have received telegrams from various parts of the country, particularly a telegram which was signed by the three associations connected with the coal industry—the Indian Mining Association, the Indian Mining Federation and the Indian Colliery Owners' Association. These associations do not occupy the same position in the country as the Ticketless Travellers' Association to which my Honourable friend referred the other day. He spoke of such an association but he did not bring their representation out of his pocket. He left it in his pocket. But these associations are responsible bodies and their views must be treated with some courtesy and consideration.

The Honourable Member says that he gives to the general revenues a large portion of the surplus, that is to say, that part of the surplus which remains after accounting for the railway reserve and depreciation. I do not object to it. As a public man, it is my duty to help the Government, specially when it is in a state of war. But the Honourable the Railway Member looks at the question entirely from the point of view of the Government and refuses to consider the point of view of the people. That is not right. He must consider the interests of the Government as well as the interests of the people.

Another unsatisfactory feature of his statement is his decision with regard to the manufacture of broad-gauge locomotives. My Honourable friend says that it is on account of certain difficulties that he has been unable to begin the construction of locomotives. He says:

"The heavy demands for skilled labour, machine tools and materials resulting from the immense expansion in the production of munitions and other military requirements made it out of the question to embark at this stage on a new large scale industry, and the workshop which we regarded as most suitable for the purpose has been completely turned over to war work."

Turn as many of your workshops to war work as possible; there is enough labour in this country, and skilled labour can be trained without much difficulty. In the course of a few months skilled labour can be trained in this country. Our labourers are intelligent, they possess strong commonsense, and it only takes a little training to fit them for this kind of work.

Sir, a third unsatisfactory feature of his statement relates to the dismantling of some of the Railways. He said that these Railways were unremunerative. When did the Honourable Member come to the conclusion that these Railways were unremunerative? If for many years

fast they have been unremunerative, they ought to have been dismantled long ago. These ought not to have been kept as a burden on the public of the country. Then he did not take any steps, and now he has suddenly come to the conclusion that these are unremunerative. Sir, the Railways, as he himself said, are there not merely for the purpose of yielding revenue to Government, but also for the purpose of rendering service to the community. Unfortunately, that aspect of the question has not been fully kept in mind. My friend told us that some of the Railways have already been dismantled, but the process of dismantling will not be continued further. Do I understand that the Kalukhali-Bhatpara Railway is going to be spared? Or is it going to be dismantled?

There are many other questions which time will not permit to discuss. But I can not help referring to the many grievances of the passengers which still exist. The grievances of third class passengers have been harped on from this side of the House time and again. I frankly admit that some of these grievances have been removed or mitigated; but many still remain, and it is incumbent on Government to remove them as soon as possible.

But in addition to the third class passengers some other classes of passengers have also their grievances. For instance, the berths in the second class compartments on the East Indian Railway are too narrow. Why should they be so? I have travelled on all the Railways in India, and I find that the East Indian Railway which was at one time regarded as the most satisfactory line to travel on has now ceased to be so. Under Company-management it was good; under State-management it has deteriorated. It has not been able to keep pace with the advances made by the other Railways. The Bengal Nagpur Railway, for instance, provides much wider berths in the second class compartments. This is a matter which is worthy of the consideration of the Railway Department.

Sir, one previous speaker spoke about the time-table. I do not know how the time-table is prepared,—but I must say that parts of the time-table are prepared in a very thoughtless manner, and this is one cause of considerable loss of income to the Railway Department. I shall give you one instance. I hold in my hand a copy of the East Indian Railway time-table. I find there is one train, which is known as the Upper India Express. This train runs *via* Benares Cantonment and goes to Allahabad. The object of running this train *via* Benares Cantonment is to afford facilities to passengers who come from Calcutta and other places in Bengal to visit Benares, and also to those who wish to travel from Benares Cantonment to Allahabad and other places higher up. But this train reaches Benares Cantonment at two minutes past five, that is to say, very early in the morning. During winter passengers find it extremely difficult to get down at so early an hour. As regards those who want to board this train for coming to Upper India, what is the hour provided for them? Ten minutes past five. Is it feasible for any person to board this train during winter at ten minutes past five? It is exceedingly difficult. Then, I take the same train in its downward course. This train reaches Benares Cantonment after midnight, forty one minutes past midnight. Who will get down at this unearthly hour at Benares Cantonment? If I want to go from Delhi to Benares, can I avail myself of this train? And those persons who want to go to Hawrah and other places by this train will have to board this train at forty-seven minutes past midnight. There are

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many other vagaries in the time table. The preparation of the time-table, it appears to me, depends entirely on the whims of the authorities. That should not be so.

An Honourable Member: Of the clerk in charge.

Dr. P. N. Banerjea: It may be a clerk or an Assistant in charge.

I shall not detain the House by referring to various other matters, but I will say this, that I am profoundly disappointed at the attitude of the railway authorities in regard to the grievances of railway passengers. The other day I complimented the Honourable the Railway Member for his comparative reasonableness, but I soon found out that I was mistaken. The attitude which he took up soon after the speech made by me has convinced me that we cannot expect anything from the Treasury Benches. On the present occasion I express no hope, I make no appeal, for I know that my hopes would remain unfulfilled, and my appeal would fall on deaf ears. I simply place my views before this House for its consideration.

Mr. M. S. Aney: Sir, my friend, the Honourable Sir Andrew Clow, has placed before us a Budget with very big surpluses for all the three years under review,—I mean for the accounting year, the current year, as well as the year to come. He is one of those who can be appropriately described as a member born with a silver spoon in his mouth. He knows what was the fate of the Members who preceded him, and under what difficulties they had to prepare and present their Budgets before this House. From 1931-32 to 1939 practically, we had a series of lean years when we had to be content with deficit budgets. But since my Honourable friend took charge, he has been lucky and the whole situation has changed, and if he is to be congratulated it is only for this that in his regime an era of prosperity has been inaugurated. How far credit is to go to him is a different matter, but on this fact the House can congratulate itself that so far as the railways are concerned, an era of prosperity has been inaugurated along with his assuming the charge of this important and responsible post.

Though the Budget no doubt shows surpluses owing to the requirements that have become very urgent on account of this war, most
 4 P.M. of the surpluses have been practically utilised for war purposes by being given in the form of contribution to the general revenues. There are, however, certain other features of this Budget which are bound to cause a good deal of disappointment among the people. Most of my Honourable friends have made reference to some of those important features of the Budget but the points are of such consequence that I think they can bear repetition.

The peculiar feature of this Budget is this. Formerly, whenever a Budget was introduced, it was taken as a matter of pride and as a matter of congratulation by the Honourable Member introducing the Budget, to say, "This year our railway line has increased by so many miles". That used to be one of the features of the Budget speech of the Railway Member. If there was any increase in the mileage, that was mentioned, but, on the other hand, this year the most striking feature is that, instead of there

being any mention of increase in the mileage, the Honourable Member comes and tells us that 360 miles of the railway lines have been dismantled, and as some satisfaction or consolation to the other side, he has held out the hope that possibly this process of vandalism may not go on further. I have used the word "vandalism" deliberately, because I call a work that is constructed and is destroyed, whether it is done by the enemy or by the friend—the destruction of a good work is an act of vandalism. It means no reflection upon any particular individual. The Honourable Member came out with a story regarding this dismantling. The cause which he had given for dismantling so many miles of Indian railways was that there was an urgent demand for metal and it had to be shipped outside the country and therefore the thing was done. I regard this question as more serious. I know that there was a necessity which had to be looked up to, and there was a demand which had to be met in some form or another. I quite understand that position. I also concede the proposition that demands made on account of war have got a paramount importance also; it overrides other ordinary considerations. But there are points which I do wish to place before this House, whose importance, I believe, will be realised by the Honourable Members sitting on the Treasury Benches.

How have these lines come into existence? That is the first point. These lines or sections of lines which are being dismantled today have been constructed by the Railway Board after getting the vote of this House. That one fact is there. Lakhs of rupees were sanctioned by this House and a good deal of thought was given by the engineers and by others who were placed in charge of making estimates for those lines. On taking their word, and accepting the expert advice which they had given, the Railway Finance Committee, the Advisory Council and this House sanctioned amounts, and after the vote of this House was recorded, the lines were constructed and they were working for so many years. If there was any loss, or if there was any tendency on the part of those lines to show that they were unremunerative, the matter should have been brought to the notice of this House in one form or another long before. The conclusion that the lines were unremunerative should not have been sprung as a surprise upon the House for the sake of dismantling them without giving any notice to the people concerned or the Members who sanctioned the same. This involves in my opinion an important point of procedure and of constitutional importance also. If we were the persons to sanction those lines, it was necessary for the Railway Board to come before us and say that the lines being unremunerative should be dismantled—the Government could have certainly moved a Resolution. They had sufficient time for doing that. They should have brought forward a Resolution saying, "These are the considerations, this is the position, and for these reasons it is necessary that lines amounting to so many miles have to be dismantled". What prevented the Government from doing that?

Sir F. E. James (Madras : European): They put it before the Central Advisory Council.

Mr. M. S. Anoy: That was at my instance, I may take credit for that, but it was a belated effort, in my opinion. By that time notices had already been served upon the lines that were going to be dismantled. Adjournments were moved in this House. Some persons had tabled

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motions of adjournment as regards other lines also. That was the position. I am not quarrelling with the fact that a certain thing was done to help the war, that is not the point. But I say the rules of this House have been ignored in regard to the matter. If this House was responsible for sanctioning lakhs of rupees for constructing, who are the persons that should order dismantling? That is the point. The Railway Board claim that they have got the right to do that. The point with which I am quarrelling is that the Railway Board have no right to do it unless they get the sanction of this House. They cannot construct one mile of railway line without the vote of this House, they cannot destroy that line without bringing that to the notice of the House and getting its sanction. I deny the right of the Railway Board in this matter. My position is this. Merely because they happen to administer particular railways which are placed in their charge, they cannot claim the liberty to go and destroy anything in the name of the war on the ground that they were of unremunerative nature. That is a point which is of great importance, and this House would be remiss in its duty in not asserting its own position in this matter and not lodging an emphatic protest. I realise the importance of doing what India ought to do for the sake of helping in this war, but I will not tolerate a position in which the rights of this House are trampled upon in the name of war by anybody. Whether it is war or no war, you could have approached us here. We could have refused also, but you have got ultimately statutory authority to do the right thing whenever the vote of this House goes against you. You could have used that power, but the courtesy of coming up before this House was an essential thing, was legitimately and constitutionally the only correct procedure which the Honourable Member should have adopted in this matter.

Dr. P. N. Banerjee: They are devoid of courtesy.

Mr. M. S. Aney: Secondly, the excuse was given that the lines were unremunerative. Well, generally what is done is this. Somebody may say "You, Gentlemen, have been sitting in the Railway Standing Finance Committee. You have been associated with them as Members of the Central Advisory Council. You ought to know all these things, even if they do not mention it but I believe my Honourable friend, Mr. Staig, or the Honourable Mr. Raper who are experts in railway matters and also my Honourable friend, Sir Andrew Clow, who is in charge of this department will certainly admit that when we get the accounts, we get the accounts for the whole line and not for sections. The results are placed before us of the working of the entire line and here certain sections have been singled out. This particular section is unremunerative. Now, it is rather a difficult calculation for a man to make whether this particular section should be declared remunerative or not and therefore ordinarily the members of the House who are the representatives associated with the working of the railway administration to some extent as members of the Railway Standing Finance Committee or members of the Central Advisory Council have no source to know what particular section of a particular line is working at a profit or at a loss. They have no source to know all that thing but if the position was so helpless that they thought it necessary to destroy them for some reason or other, then those committees should have been informed

in proper time by the Railway administrations concerned. They should have said "Certain portions of this railway line which is in our charge have proved wholly unremunerative for a number of years and therefore something must be done either to take measures with a view to make them more remunerative or completely destroy them and save the railway department from a dead loss". I had been serving on the Railway Standing Finance Committee from 1925 to 1929, and then, again, for the last two years I have been serving on that Committee, and I have got a fairly long experience of the work of the Standing Finance Committee. I do not presume much, if I say that I take a fairly intelligent interest or I consider I take a fairly intelligent interest in the working of that body. I only put it on that ground. Not more than that. During all this period, while we have been passing estimates sent to us from time to time by the Railway administrations, the Railway Standing Finance Committee has to go through the estimates once, twice or thrice before the close of the year and before the final estimates are prepared. During all this time, I have not seen any suggestion by any Railway agent that any section of the lines have not been working properly at all. Not only that. When we work as members of the local advisory committees, the question as to the profit and loss of any particular section of the line is never brought to their notice. So, the thing is that during all this period we have been kept in the dark, I do not say deliberately. They probably did not think that they should show a thing like that. But that was in their contemplation, as I shall be justified in assuming from some remarks made by the Honourable Member that in the case of a certain line—I do not want to name the particular line, the Railway Agent as well as those who worked as Agents and Managers before were unanimous in their opinion that that section cannot be made remunerative. That opinion was there with them for some time and it seems that they have studied the working of the different sections for some reason or other beforehand. If that was so, why were not those results placed before the committees, before the Railways jumped to the conclusion that so many lines should go or be dismantled.

Mr. L. C. Buss: Mistakes are difficult to admit.

Mr. M. S. Aney: But then a confession has to be made in spite of them and I believe that in the name of the war they want to wash away all the sins of the past and get the credit for having helped the war. That is the position. However, the third thing that I want to say in connection with this dismantling is this. There is great deal of dissatisfaction in the provinces and in those parts which have been affected by this act of dismantling. It has certainly caused serious dislocation to people engaged in trade and commerce in those parts. Then there is another thing which I want to bring to the notice of the Treasury Benches. Nothing has done more to create a wrong impression about the position of the people in England in regard to this war than this process of dismantling. The impression is that an alarming state of affairs prevails in England on account of Germany bombing that country and that it is because England is so short of war materials that lines are being dismantled in this country and taken away. You have no idea as to what kind of moral effect this action is likely to have on the people in the country. You are trying to establish a kind of censorship and have also issued instructions that German radio broadcasts should not be heard and all that sort of thing but you

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forget that your own action in dismantling the lines is creating a wrong impression as regards the position of England in connection with this war. People think that nothing could be manufactured in England. That is the prevailing idea. People think that everything is destroyed there and that factories are at a standstill and that they are practically helpless. That is the idea created and I may say that I thought it necessary to indicate this idea secretly to a very responsible member of the Government benches one day. I think it my duty to inform them, so that they may make some use of this suggestion when they come to deal with this problem hereafter. I mention that now. So, in my opinion it was a political blunder and it was an economic wrong and it was also a constitutionally inappropriate thing to do. On these three grounds I have to use very strong language against this act of what I characterised as vandalism on the part of the Railway Board in dismantling lines without notice and without sufficient time for the people to think as to how to meet the dislocation that might be caused. Leaving that thing, I now come to another point in this Budget which will cause a good deal of disappointment among third class passengers. Now, you know that the surpluses that we have got here now for all these three years under review, especially the surplus for this year, which comes to 14 crores and more is made up not purely of the revenues derived on account of the expansion of traffic in the country. It also reflects to a considerable extent the added revenue due to increased taxation. Now, this amounts to 6½ crores. This is what I gather from the Explanatory Memorandum where it is stated that as regards coaching expenses, the increase of 1½ crores is attributable to the enhancement of rates and fares brought into force from 1st March, 1940, and then it is said that as regards the increase of goods earnings of 6½ crores, about 5 crores is attributable to the enhancement in rates brought into force from the 1st March, 1940. So, it comes to 6½ crores. That is, nearly half is due to the increased taxation. Now, Sir, we know that this increased revenue was contributed by the third class passengers and by those who had dealings in goods traffic. What is the attempt made by the Railway Board to return, in some form or another, even a fraction of the increased earnings they have been able to make owing to this extra tax, to the third class passengers. It may be said—and the Honourable the Communications Member is a shrewd debater, he anticipated an objection to that effect, and he has put it in this way that, “well, we have now here returned, in the form of a contribution to general revenues, so many crores and therefore that return of so many crores means that the requirements of the general Budget have been to that extent made up by these persons”, and, therefore, if there is any possibility of extra taxation by the Honourable the Finance Member,—who is nodding, I am a little apprehensive. I do not know what he means by nodding like that—but the Honourable the Communications Member thought, “I have saved you from that taxation to the tune of so many crores, that is, the amount returned by me by way of contribution to the general revenues”, and he wants to take credit for that. I do not know whether new taxation is going to come up or not but if he is going to impose taxation upon me directly, I may be in a position to tell him, “you are taxing a man who cannot afford to bear that; if you want more money, there is another way of doing that, but if you wish to return it in some other form, why not give it in the way of a direct benefit to the people concerned?” The point which is being made by Members on this side is that

if that return must be shown in the form of some amount of reduction of the extra fare which is imposed upon them or in the form of some direct benefit conferred upon them by adding to their amenities, then that would be welcome.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

So long as that is not done, the position is the same whether you keep it in the Reserve or give them back. If you had kept it in reserve, there would have been something in which the people would have been interested, because according to the convention, if the reserve are properly built up, then the proper building up of the reserves will go to the reduction of fares and freights. Now, the proper portion that should have gone to the Reserve is not allowed to go to the Reserve now. It means that the possibility of the Reserves being built up in such a way as to yield at one time or another a reduction in the rates and fares is also removed by the whole amount being handed over to the general revenues in the form of a contribution. That is the point which I want the Honourable Member to take note of. Sir, I may go back to the third point,—the dismantling was there, then the disappointment of third-class passengers is there, and there is one more thing, the disappointment, in my opinion the disheartening of the railway employees. I have been receiving telegrams from a number of persons whose cases I am not in a position to judge for myself but my Honourable friend, Mr. Lalchand Navalrai, has studied those cases of certain clerks on the N. W. Railway and the cases of certain Guards. It appears that for some reason or another the promotion of certain kinds of Guards in certain grades have been held up, while persons of the same status on other Railways have been able to get those promotions. Now, there are grievances there, and there may be grievances of many other employees also of a similar nature. Sir, I think that with the big surplus in the hand of the Honourable Member, he should have been in a position to find out how much of this could have been properly allocated by him to mitigating the grievances of employees in that direction. I do not mean to say that he should have spent the whole amount like that, but he could have seen that there are grievances in the matter of salaries, promotions, or allowances of the employees and with a big surplus like that in hand, it would not be justifiable for him to do nothing for them or to be silent. When these employees see that the Department has had a surplus enough and yet not even a few lakhs out of it are spared for the benefit of the employees, then their serious discontent deepens still further and it creates a situation the net result of which may be very dangerous even, if that discontent is allowed to grow more and more. At a time when we count upon the loyalty of every possible servant of the Railway Administration and particularly in an Administration which is carrying on the work of communications, which is of very great importance in the matter of the prosecution of the war, at a time like that, special attention should be given to those points which are causing a great deal of disappointment and disheartening and heart-burning amongst its own employees, and something should be done in my opinion to see that their legitimate grievances are not altogether ignored by the Railway Department, at least in times of affluence. So there is dismantling, disheartening, and disappointment about all these things. Then I come down to another point. Sir, the most disappointing part from the point of view of the

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people was the reference which the Honourable the Communications Member made to the fact that he cannot proceed with the starting of a locomotive factory. I would not like to discuss the whole thing because many friends have referred to that before me but the reasons are certainly not very convincing. It is true that he has given us some reasons, viz., that it is difficult at this time, according to him, to get the necessary plant and machinery: One workshop that was thought fit for this sort of thing is now wholly occupied by something else, viz., turning out munitions of war and so on. Sir, that may be so, but I really do not see why our representatives who have been sent to America to carry on negotiations and to explore the possibilities of seeing how far they can be of some use to us in giving the necessary help from that country, did not look into this point. In view of the difficulties of communications with other countries and so on, would it not have been possible for America if not for England to supply us the necessary plant and machinery for the sake of starting a workshop like that? And if not, why? That is what I want to know. If America has now undertaken the responsibility of supplying the most important things required for the sake of carrying on the war effectively in England and a serious effort is going to be made by that country to give every possible help to England, why should it have been difficult for America to supply a portion of the plant and machinery that would have enabled the Government of India to start that locomotive workshop? I really do not know the reason, at least I have not heard of any reason which can satisfy me on this point. If there was a will, I think the Government of India should not have thought it very difficult to find some way, and they should have succeeded in doing that thing. Secondly, I submit, what is going to happen if the present war continues for some years? God forbid, it may not continue but that is not in your hands or my hands. One militarist theory suggests that our interests lie in seeing that the war should be prolonged as long as possible so that the enemy may be completely exhausted not so much by warfare as by the blockade. It is for the strategists to say who is right and for war mongers to talk about this matter; I leave the question there. My point is this that if the war continues for some time, how are you going to make up the deficiencies in your engines here, because you have not got a workshop here. Our lines are being dismantled now for the sake of the war. Are they going to be closed hereafter for want of engines? Is that the position the country is going to be reduced to? Sir, I would certainly run no risk. Apart from this, there is a third aspect also. I am told by those who understand these things, I am a lay-man, I am not an engineer at all, it takes a good deal of time for me to grasp when my Honourable friend, Mr. Staig, sometimes introduces an engineer to explain certain technical points in the Committee. I listen, and I am satisfied, because somebody else is satisfied. I do not understand it myself. My friend understands it all right because he is an engineer and I take his word and we sanctioned the particular amount. Anyhow, I am given to understand by those who know this matter and who understand the technical affair that the locomotive industry is one of the key industries. I am also told that the locomotive workshops can easily be turned into munitions workshops also. They are of use for turning out war material also. I have heard like that and this opinion has come from reliable and expert engineers. If that is so, I would certainly urge upon the Government to

sit down and reconsider the whole position because I am sure nothing will be more disappointing to the whole of India than to hear that even on the second occasion when an attempt was being made, a promise was being held out and everything looked as if the thing was going to happen, a disappointing note has been struck in this House that nothing can be done hereafter so far as the locomotive industry is concerned. People will understand this as an unwillingness, a deliberate reluctance, on the part of the Government of India to do anything in this matter. That will be the impression created on the public. You must know the impression of the people very correctly so that you should be able to deal with it. You do not want the industrialisation of this country in the true sense of the word and you try to withhold the starting of the key industries as much as possible. Unless you find yourself helpless, you won't do anything of the kind.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is-up.

Mr. M. S. Anay: In that case, I will also wind up my remarks. I had some more points but I must leave them for another occasion. I will only say in conclusion that my Honourable friend is lucky and I hope his good luck will continue to guide the railway administration hereafter also. With good luck, let us hope, he will imbibe a sense of being liberal and just to the people, whose pockets are mainly touched whenever he gets a big surplus like the one he has got this year. With these remarks, I suggest that the House may proceed to consider the Budget.

The Honourable Sir Andrew Olow: Mr. President, I am sorry that the Honourable Member who opened this debate with an attack, not on the railway Budget but on a policy which he alleged I was pursuing, has not remained in the House to hear my reply. As I had no previous notice that this considered statement was going to be made, it is not possible for me to make an equally considered statement in reply. But I trust that he and the Honourable Members who sit with him, when they read my remarks, will appreciate that they are made with sincerity but without heat.

The attack related to the question of appointments. Appointments of two types were mentioned, appointments by recruitment and appointments by promotion. In the case of first appointments, Government have laid down in a well-known Resolution a considered policy designed to safeguard the interests of those communities which are not in the majority in this country. That policy is not my individual policy, it is a policy which was laid down before I became a Member of the Government. But it is a policy that it has been my constant endeavour to fulfil both in the letter and in the spirit. It was precisely with this object that, having heard many allegations that it was not being properly carried out by the Railways, I entrusted to an experienced and impartial officer a special enquiry into this matter. Subsequently, at the request of the certain members of the Muslim League Party, I attached a Muslim officer to assist him. I have heard nothing since to suggest that the facts elicited by Mr. DeSouza are incorrect and they appear to me to vindicate the manner in which I and my predecessors have pursued the policy laid down by Government as a whole.

Mr. M. S. Aney: May I ask if the report is available to the public?

The Honourable Sir Andrew Olow: Yes, all Members had a copy of it. Certain direct appointments were specifically mentioned this morning. A group of eleven direct appointments was mentioned. The explanation which Honourable Members will find in the Railway Board's report for the communal distribution of that group was not referred to, but I hope that Honourable Members will read it. They will find that these appointments were made on the recommendation of the Public Service Commission and they will find the reason why in the two vacancies that were reserved, Muslims were not appointed.

I do not propose to pursue that in detail because the real issue does not lie there. It lies in respect of the second class of appointments and those are appointments by promotion. On this subject we had a vigorous debate in this House during the last Railway Budget and it ended in a division, a division which I claim endorsed the policy that Government have pursued of making promotions without fear and without favour. On this point, I and the Honourable Members of the Central Muslim Party admittedly do not see eye to eye, but the policy pursued in that respect is not my policy. It is a policy pursued in every Department and by every Member of Government and it represents the policy of Government as a whole. So long as it is our principle to make promotions by merit, so long I shall regard it as my duty to see that every man serving under me of whatever caste, creed or community has a fair chance and an equal chance of succeeding to those posts for which he is eligible and qualified.

Let me turn now to the remarks made by other speakers. Sardar Sant Singh referred to a certain Resolution of the Home Department regarding the minimum pay in the early years of service for certain grades of Anglo-Indians. That is not a policy formulated in the Railway Board or for reasons that are in any way peculiar to the railways. It has been fully explained in the Home Department Resolution and I do not feel it would be proper for me in this debate to enter into any defence of it. He asked why I have permitted myself to be put into such a position of having to make this allowance. Well, the answer is that a certain Act known as the Government of India Act came into force and the policy was taken in pursuance of a specific provision of that Act.

Sardar Sant Singh: My complaint was that your predecessor in 1936, after the Government of India Act had come into force, made a statement on the floor of the House that he would never permit such a thing to happen.

The Honourable Sir Andrew Olow: He went on to deal with one of his favourite subjects, that of the Railway guards, in which he takes a keen interest. I was glad that he acknowledged that something has been done in this direction.

Dr. P. N. Banerjee: Are these guards white or black?

The Honourable Sir Andrew Olow: These are Indian guards mostly on the North-Western Railway. Actually I have looked into the matter personally since then with considerable care and I am afraid the conclusion

that I came to was that both he and I have been subject to a process known as leg-pulling, because I think both have been led to the impression that these various grades were grades through which men went up by promotion. These old grades were not; they were based on the principle we have discarded of racial discrimination. In the past there was little or no promotion from one grade to another. Now, we have changed that and we have opened the field for promotion between the different grades. In addition, last year we created a few new appointments.

I was glad to hear from my Honourable friend, Mr. Buss, an appreciation of the policy we are pursuing in respect of depreciation, and value that particularly coming from a Leader of a Group who is probably more acquainted with big business than any other Group in this House. He invited me to say something about dearness allowance, but I do not propose to enter on that field at present. As he probably knows we are discussing this matter in the All-India Railwaymen's Federation and I feel that public interest would best be served if I say nothing until these negotiations are complete. He also urged me to even greater efforts in munitions production in railway workshops. There, of course, we are dependent on the demand made upon us by the defence authorities, but I can assure him that we shall do our best in every way we can to meet all the demands that may be made.

My Honourable friend, Sir Abdul Halim Ghuznavi, as usual, came to his favourite subject of coal. I am afraid that, looked at from the commercial point of view, this is not the time to reduce coal rates. If I view the railways purely as a commercial concern, I should regard this as a very good time to enhance the rates. Coal industry has had extraordinary good exports and I do not think it is in a languishing condition and although we are giving some relief, that relief is given for a specific purpose. Sir Abdul Halim Ghuznavi said that he did not want to collect coal or he could not collect coal during the summer. Well, Sir, our object is to try and encourage those who can to make demands on us for coal wagons during the season when we are most easily able to supply them, and thereby to release wagons for those who have more urgent needs during winter when the demands tend to be high.

I was sorry to see him led astray by a publication which I, along with other Honourable Members have received from an institution called the Dewan Chand Political Information Bureau. It certainly is political information. He quoted a statement attributed to Sir Charles Innes. But he did not look at the original speech, or he would have found that the gentleman in charge of this Bureau had extracted statements from three different places in a very long speech and had combined those statements without any reference to the background of the speech or the general tenor of the speech. He thus conveyed the impression to Sir Abdul Halim Ghuznavi that Sir Charles Innes was an advocate of buying up every railway as it fell due. I am only going to quote one passage from the same speech of Sir Charles Innes and this is a quotation read consecutively and not taken from different places. This is a quotation as it stands from the speech:

"I am not making a statement of policy. I do not wish it to be implied that we are adopting this course because we are convinced that State management is the best form of management for India. On the contrary many of us view the prospect that all our railways should be brought under direct State management with the grave concern. Let me repeat what I have already said before, namely, that

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experience does show that the State does not and cannot manage railways more efficiently, more economically or with greater comfort to passengers or with quicker despatch of freight than company railways. And though we do not propose that all State Railways should immediately be handed over to companies, we think that it will be necessary to maintain a substantial portion of our railway system under company management. We desire to adopt the course I have indicated in regard to the East Indian and the Great Indian Peninsula Railways solely for practical reasons."

I do not put that forward as an argument, or say whether it represents my own views or not. I merely quote it to show that there can be no question of calling Sir Charles Innes as a witness to prove that Government adhered to the policy of buying up Company railways whenever they fell due irrespective of circumstances. Sir Abdul Halim Ghuznavi referred to our failure to purchase the Assam Bengal railway in 1931 and said that was merely because there was no money. But I suppose money could have been raised if we were willing to pay a rate of interest high enough. That simply was a case where Government came to the conclusion that in the circumstances the railway should not be purchased. Now, in very different circumstances we have come to the opposite conclusion.

Then, my Honourable friend, Sir Henry Gidney, dealt with a number of points. I am afraid I cannot deal with all of them today, but I will try to deal with a few of them. He raised one point of importance which other speakers re-echoed and that was the question of locomotive construction. He seemed to think that it would be quite a simple matter for us to start off on this work now. He did not seem to appreciate the actual situation that confronts us. There are difficulties in respect of men, there are difficulties in respect of men, of tools, of materials. As regards men, my Honourable friend, Dr. Banerjea, said at a later stage it was quite a simple matter to train skilled labour for the purpose.

Dr. P. N. Banerjea: I said: "without much difficulty."

The Honourable Sir Andrew Clow: It is not a simple matter at all as Honourable Members who are acquainted with industry know. My Honourable Colleague to my right is doing his very best to collect all the technical-labour in India to meet the purposes which both he and I regard as more urgent than this, and he is not altogether successful in those attempts. I have here a copy of yesterday's *Times of India* in which the Chairman of the Tribunal in Bombay after considering the applications has had to put a second strongly worded appeal for men to come forward. The fact is that we have suffered in India for years past from a shortage of technical labour. We are doing our very best to get all the technical labour we can now and to apply it where the need is greatest. It is my belief and hope that these efforts which are being made by the Labour Department for other Departments will leave us after the war in a far better position as regards this most important element in manufacture.

As regards materials, I think Sir Henry Gidney said that the steel industry was not pre-occupied in this country and that it is pre-occupied in England. I did not catch him properly. In any case, I am revealing no secret when I say that the steel industry is very much pre-occupied in this country and that for even things we want very urgently such as rails we have great difficulty in getting them simply because the industry is so fully occupied with other and more urgent things.

Lieut.-Colonel Sir Henry Gidney: I said you could not get them in England just now, England being pre-occupied with their needs.

The Honourable Sir Andrew Olow: I do not think we are going to get them from anywhere at the moment. A good many of the materials that we require, as Sir Henry Gidney rightly pointed out have to be imported, particularly, elements involving acid steel. There again I hope the war will bring at least this benefit of improving our position because our steel factories are taking up and will take up increasingly the manufacture of materials which formerly we were obliged to import. Mr. Aney asked what we would do about locomotives. I admit it is a very difficult question. I see no alternative at present but to let the machine run down a little. But I would point out that the more our locomotives become obsolete the better our position will be for embarking on an enterprise such as this as soon as the war makes it possible for us to do so.

I will not follow Sir Henry Gidney into his long speech on the subject of a certain appointment in a Company railway. I know he feels strongly on the subject but it is an appointment over which I have no control. I was a little surprised, however, to hear him refer to nepotism in connection with some other medical appointment. I have no nephew that I know of in India and I do not know whose nephew was appointed, but if he will give me the particulars I shall look into them.

Sardar Sant Singh also referred to nepotism in appointments,—those of guards. That is the only allegation that has been made of unfairness in making subordinate appointments, and it is significant that the allegation of unfairness is, I think, based on the fact that a large number of Muslims were appointed.

Sardar Sant Singh: I referred to unfairness in the matter of promotion of these guards.

The Honourable Sir Andrew Olow: Precisely. We recruited some directly and others were taken by the Selection Committee; but it is quite a gratuitous assumption that simply because in that particular group there were a large number of Muslims, therefore, favouritism was done. As I explained to the House in answer to a question earlier, it simply so happened that that these men were on the top of the list and lower down there was a considerable number of members of the majority community.

Sardar Sant Singh: If the Honourable Member sends for the list he will find that persons have been promoted whose career and antecedents were very badly reported upon by their officers and those who had absolutely no bad remarks in their service books have been left over although they were senior. That is my charge.

The Honourable Sir Andrew Olow: Then Mr. Lalchand Navalrai seemed to think that I was in some way to blame for the action of the Muslim League Party this morning because we had issued the Circular of 1934, and he has made a strong appeal to me to withdraw that Circular.

Mr. Lalchand Navalrai: I feel strongly upon it.

The Honourable Sir Andrew Olow: The Honourable Member may feel it strongly but it is regarded, I am quite sure, both by the Muslims and other minorities as a very important safeguard and privilege; and I would point out that it does not involve, as promotions would, any discrimination between persons who are in the service. Then after a very brief reference to his beloved province of Sind he raised the question of first-grade clerks. I have received, during the last few days, a large number of telegrams from various corners of the Punjab couched in curiously identical language suggesting that someone whose energy at least entitles him to promotion has been showing vigour in this direction. It is a very complicated subject; I have studied it myself with considerable care but I have really no time to enter into details in a speech such as this. But if the Honourable Member will give me an opportunity during the Demands for Grants I shall try to deal with it in a more adequate fashion. I will only say now, that the proposal to amalgamate was turned down because there appeared to be no grounds for amalgamation at all and that the demand was based on an analogy with another set of clerks where in our view no true analogy existed.

Then, Mr. Deshmukh referred to my reference to increased prosperity among the masses and denied that there was any evidence of that at all. I cannot personally find any other explanation of the fact that our passenger traffic has gone up by the amount it has. One prominent Congress paper ingeniously suggested that it must be due to the large troop movements. I had the troop movements separately extracted and I can assure him that in this direction that factor is extremely small indeed. There has been a substantial increase in the travelling of third class passengers right throughout the country, and I can attribute that to no other factor but that there must be a little more money in the pockets of the masses. Actually, as the Honourable Member recognised, we did not put up the rates on food-grains or on fodder, partly with a view to benefiting those agriculturists; and although I did repeat this year the warning as regards food-grains which I made in my previous speech last year, I think the Honourable Member can feel that there is no more chance of its being put up at present than there was at this time last year.

-Mr. Chattopadhyaya in a thoughtful speech said that my Budget had helped the Government, but had wronged the people. I am afraid he is still labouring under that unfortunate conception, derived from long years when the people had no say in Government, that Government is something entirely separate from the people, and has a money bag of its own from which it can be generous and extravagant or mean as it likes. Actually that is a delusion. The money we spend is your money; the money we save is your money; and if money comes in to help Government it only means that the people in another form get it.

An Honourable Member: We have no hand in the spending of the money.

The Honourable Sir Andrew Olow: I am quite sure that if there had been no surplus this year, my Honourable friend would have found that the people were in a very much worse position when the Finance Member introduced the general Budget.

He asked me what the position would be if the war stopped, and complained that I did not give figures to show how far we were depending on

military traffic. Of course, I could, if it were judicious, give the actual figures for military traffic but that would not really be an answer to his question, because the position in which the railways will be after the war ends will depend on an immense number of indirect figures. The whole military activity throws its influence into such a lot of directions that it will be quite impossible for me to say where we would stand after the war ends. There is no doubt at all that we and all nations will face a position of great difficulty after this distinctly artificial stimulus is removed; and it is with a view to meeting that difficulty that we are trying, on ever so small a scale, to have something in hand so that we shall not be compelled to add to the difficulties of the public at that time.

He referred, but I think with a little less force than usual, to the top-heavy administration. I could say a great deal on that subject.

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I do not myself regard the administration as top-heavy. But I know there are Members who feel strongly in this House on the great divergencies of pay between those at the top and those at the bottom; and feel that we should move towards a more equalitarian system. I agree with that view, but I would point out that it has to be done by the country as a whole. Professor Banerjee suggested that Indian Officers as they replaced Europeans might be content with comparatively lower scales of pay; but I have to remind him that we are competing in the field for the talent available; and if our best Indian brains found that the pay we were offering and the prospects we were offering were very much below those offered by big business or in other directions, then we should undoubtedly be left with second-rate talent. Our hands are—I will not say forced—but our steps are guided at any rate by the rates of pay prevailing outside the railways; and having seen something of the railways in other parts of the world, I think I can safely say that the remuneration given to those at the top of this immense system—I think the biggest system in the world under a unified control—compares very favourably, high as it may seem to some, with the rates given to those in other parts of the world. This is not a matter in which we are isolated as it were; and I do not believe that in present circumstances the bringing in of Indian Officers on very low rates of pay

Dr. P. N. Banerjee: I did not say very low.

The Honourable Sir Andrew Olow: On rates of pay very much lower than those which prevail at present, would be conducive to the interests of the railways at all. We could get the officers, I have no doubt; but we would not get the best; and I am quite sure that if we happened to get good ones, we would not be able to keep them.

Prof. Banerjee recurred to the song—not a new song I think—of economy; and the main element in his plea for economy was this plea for lower rates of pay with which I have already dealt. But he suggested also that large or substantial economies could be found in the amalgamation of railways. We have looked into this matter in connection with our intention to put the Eastern Bengal Railway and the Assam Bengal Railway under one control. We have found there that, though we are dealing with two rather small railways which necessarily have higher overhead charges than a bigger railway, the economies we can effect are comparatively small; and I am quite sure that if we were to amalgamate those

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railways as he suggested, with the East Indian Railway, we should be taking a step which would have very unfortunate consequences. I may say that on the experience that I have had of railways so far, I am fairly sure that the railways of the size of the East Indian Railway are on the whole too large for completely efficient management. The strain put, in a railway like the East Indian or the North Western, on the men at the top is very great; I believe that railways of the size of the Great Indian Peninsula Railway are better fitted to work under the conditions in this country. To amalgamate the East Indian—an immense system—with the Eastern Bengal Railway would be a step making not for efficiency but for inefficiency.

Then, Mr. Aney concluded the debate by dealing with some interesting subjects. I wish I could follow him along all of them,—but I was not entirely clear as to the conclusions to be drawn from the observations he gave us on the subject of taxation. I was not clear, for example, whether he thought that the debt owed by the railways to general revenues should be wiped out or not. Actually, all that is being done this year is to give general revenues the amount which they are due to receive under the convention, to accelerate by one year a further amount which they are due to receive and to pay back a sum estimated as in the neighbourhood of three crores of rupees of debt which we owe. I have made certain observations on that debt in another connection; but I do not feel that this is the time when one could reasonably refuse to repay a small part.

He also referred at greater length to the subject of dismantled lines. One question which I was asked both by him and by the Member who spoke earlier—I think Sir Abdul Halim Ghuznavi—was this; that if these lines were unremunerative why did we not dismantle them earlier and why they were kept on without being closed. There are two answers to that question. In the first place, we do not exist entirely for economy; we exist for service and we are always reluctant to dismantle a line even if it happens to be showing a small loss. We cannot provide lines throughout the length and breadth of the country but we try to run where we reasonably can. Mr. Aney complained that it used to be a subject of pride that we had increased our mileage. But I am not sure whether those days have not gone, because since those days we have had a very powerful competitor in the field. But another reason is that, as I said in my Budget speech, most of these lines are comparatively recent. I think out of the 18 lines mentioned, 18 dated from 1928 to 1932: those were designed in a period when men's minds were in a somewhat expansive state. Now, you cannot really tell whether a line is going to be remunerative or not,—in the early years of its existence. We do place on the table of the House, so that the House can watch their progress, periodical statements showing the return we are getting on lines recently opened; and so we do not keep the public in the dark. There are other lines which we believe to be unremunerative that we are still keeping going for the present, for the same reason.

I am sorry, and I think Mr. Aney has some ground for complaint that it was possible to say so little to the House at the time when the first notice, for dismantling the lines, was issued. I was not even in a position to say that they were going overseas. I think that my Honourable friend will appreciate that in these days a debate would have been extremely

difficult on the floor of the House. I did my best to take the Central Advisory Council later into our confidence, and I shall try to keep them in touch with any developments. In the meantime, developments have been in the opposite direction from that which we anticipated, for owing to a further change in the situation we have cancelled the notice given to one out of the last of the nine lines which I mentioned in my Budget speech—that is the line from Kut-el-Amara to Fort Abbas. As regards the Kulukhali Bhatiapara Railway regarding which I was asked some questions, I may say that while one can never foresee the changes in the war with any accuracy, the prospect of that line being dismantled in the near future is in my view remote. If further demands were made on us for rails of this particular kind, we should naturally be disposed to turn first to that ninth line, a fairly long one, which has had a reprieve within the last few days.

Mr. M. S. Aney: While most of the lines which have been dismantled are broad gauge lines, it is only one line which is narrow gauge. If they wanted a particular type of rail, how is it that that narrow gauge rail also suited them?

The Honourable Sir Andrew Olow: The question of rails does not depend on the gauge, but on the weight.

Mr. M. S. Aney: I cannot understand how the narrow gauge would suit them if they wanted only broad gauge lines.

The Honourable Sir Andrew Olow: It is possible to use rails of a particular gauge on another gauge, but the question is whether the rails are of the right strength and type. Well, Sir, I have gone on beyond the time at which we usually adjourn.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has not completed his time.

The Honourable Sir Andrew Olow: But I am unwilling to keep the House longer at this late hour. I shall doubtless have opportunities of going more fully into some of the points over which I have had to slide somewhat inadequately in this speech, but meantime I would merely thank Honourable Members for the appreciative remarks they have made and for the patient hearing they have given.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 25th February, 1941.